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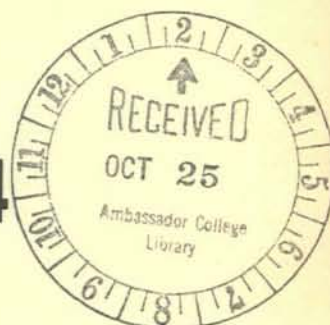
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Current History

OCTOBER, 1984

Vol. 83, No. 495

The Soviet Union's apparent inability to alter its economic system radically, the morale of the labor force, the strength of the military and the diplomatic stalemate between the Soviet Union and the United States are among the topics discussed in this issue. The bleak outlook for the Soviet Union is analyzed in our lead article: "Not since the death of Stalin has the Soviet system been in greater need of effective leadership. And yet today, after years of half-measures to deal with the country's problems and after a procession of ill, inept or impotent leaders, the authority of the office of General Secretary has seriously deteriorated."

The Age of the Soviet Oligarchs

BY MARK R. BEISSINGER

Assistant Professor of Government, Harvard University

TWICE in the course of 15 months, Soviet citizens have experienced an event that has occurred only three times before in the 67-year history of the Soviet Union: the replacement of the most important political personage in the Soviet bloc, the General Secretary of the Communist party of the Soviet Union. The frequency and smoothness that have marked the passage of leadership in the Kremlin recently have made political succession, long regarded by Western observers as the Achilles' heel of the Soviet system, seem mere routine. Twice in 15 months Soviet citizens have awakened to the somber tones of mourning music in place of regularly scheduled radio broadcasts. Twice in 15 months they have queued in order to buy much the same looking newspapers with the same black-edged announcement of the death of a leader and the nearly identically worded appeals for unity and calm. And twice during this same period, they have been informed of the choice of leadership that their self-appointed rulers have made.

Yet, for all the changes taking place in the office of General Secretary, life in the Soviet Union remains much the same as it was two years ago. Western observers have often thought that Soviet political successions are periods of great policy innovation. Contending leaders, scrambling to build new power coalitions, would bring new issues onto the political agenda. In this view, rather than causing political instability, the lack of an institutionalized mechanism for succession in the Soviet Union invites a healthy adjustment of the system to reality. The events of the past two years, however, confirm neither the functional nor the dysfunctional version of Soviet political

successions. Rather, they indicate that the Soviet system has undergone such fundamental changes that both theories are obsolete; today, there are serious questions about the ability of that system to reform itself.

THE BREZHNEV LEGACY: THE RISE OF STABLE OLIGARCHY

Leonid Brezhnev was the Soviet Union's first successful post-Stalinist leader, at least in terms of political stability. Yet his 18-year rule, which began with a spate of reforms, ended in one of the most stifling and stagnant periods of Soviet history. Brezhnev's success as a political leader was due to his ability to act as a broker and consensus-builder in the Politburo. But Brezhnev's leadership style—a slow-moving, consensual policymaking process—led to an unprecedented moral and political torpor in the Soviet Union by the time Brezhnev died.

Brezhnev's Russia was imbued with the conservative values of an elite which, having exhausted the energies of its people through 40 years of revolution, civil war, man-made famines, purges, collectivization, forced industrialization and war, was content to rule society rather than attempt to transform it further. But ruling or, as the Soviet leadership puts it, "scientifically managing," a modern industrial superpower like the Soviet Union requires the kind of independence and initiative that are scarce in a highly centralized, bureaucratic political system. Most significant changes in the Soviet Union would have to be initiated and approved by the group that stands to lose the most from them—the Soviet leadership. Under Brezhnev's guidance the leadership preferred to

Table 1: Turnover Among Politburo Members (Full and Candidate) Since the Death of Stalin

Years	Removed for Political Reasons	Retired Due to Illness	Died in Office	New Members Added
1953–1958	11 ^a	0	0	19
1959–1964	13	1	1	9
1965–1970	3	0	0	6
1971–1976	5	0	1	7
1977–Oct. 1982	1 ^b	2	4	9

^aFigure includes the case of Lavrenti Beria, who was removed from the Politburo in July, 1953, and subsequently executed; he was the last member of the Soviet leadership to be shot.

^bIn 1977 Nikolai Podgornyi was removed from both his seat in the Politburo and the office of Chairman of the Presidium of the Supreme Soviet, being the last member of the Politburo to be removed for political reasons.

suffer a decaying economic and social structure rather than take the risks of major reform.

Because of this neglect, mounting problems faced Soviet society in the late 1970's and early 1980's. In 1982, Soviet industrial production grew by only 2.8 percent, significantly below the planned level of 4.7 percent and the slowest industrial growth rate in postwar Soviet history. Some branches of industry actually experienced negative growth for the first time. Agricultural output also fell far below planned targets, and successive harvest failures led the Politburo to embark on a massive program of grain imports to make up the difference. Toward the end of Brezhnev's rule there were signs of rising national tensions in the Soviet multiethnic state, as massive demonstrations broke out in both the Baltic and the Caucasus regions. Even in the field of foreign policy stagnation was evident; the expansive maneuvers of the Soviet Union in the mid-1970's gave way to defensive actions against revolts within the Soviet sphere of influence.

Underpinning the conservatism of Brezhnev's policies was his so-called trust-in-cadres policy, an informal social contract with the Soviet elite and leadership that gave them job security for the first time in Soviet history. As a result of this policy, nearly half the members of the Central Committee elected in 1966 shortly after Brezhnev came to power were still members of the Central Committee 15 years later. From 1966 to 1982, the average age of the Politburo rose from 55 to 69, the members of the

¹Robert Michels, *Political Parties: A Sociological Study of the Oligarchical Tendencies of Modern Democracy* (New York: The Free Press, 1962), p. 343.

²Even before a fully stable oligarchy developed in the Soviet Union, some Western observers could clearly distinguish its outlines. Writing in 1970, at a time when some expulsions from the leadership for political reasons were still to come, T. H. Rigby discerned the emergence of certain mechanisms for controlling factionalism in the Brezhnev leadership, though he was doubtful that such oligarchical arrangements could be stable. See T. H. Rigby, "The Soviet Leadership: Towards a Self-Stabilizing Oligarchy?" *Soviet Studies*, vol. 22, no. 2 (October, 1970), pp. 167–191.

Council of Ministers, from 58 to 65, and the members of the Central Committee, from 56 to 63. The Soviet system had been transformed from a personalistic dictatorship into a gerontocratic oligarchy.

Even before the Russian Revolution, Robert Michels argued that in all political parties,

sooner or later the competition between various cliques of the dominant classes end in a reconciliation which is effected with the instinctive aim of retaining dominion over the masses by sharing it among themselves.¹

For Michels, it was security and continuity in office that comprised the common interest of ruling oligarchs. It is evident that a contract both to end the internecine disputes that had plagued Soviet leaders earlier and to share power collectively did indeed emerge within the leadership in the course of the Brezhnev era (see Table 1). After the ouster of Premier Nikita Khrushchev the number of those removed from the Politburo for political reasons declined considerably, reaching nearly negligible proportions in the late Brezhnev period. Simultaneously, there was a precipitant rise in the number of leaders who left office because of sickness or death. In fact, since 1977 not a single member of the Politburo has been removed from the leadership—except if carried out on a stretcher.²

Brezhnev's informal contract with the leadership poses fundamental threats to the Soviet system. Successful reform not only presupposes new ideas, but new leaders and new personnel as well. Brezhnev's social contract with the elite encouraged the flourishing of materialistic values and corruption in the bureaucracy, undermining the effectiveness of those policies that are in place and sharpening the need for reform. Moreover, not only did that contract rule out the possibility of infusing new blood into the elite and leadership, but it also made it extraordinarily difficult for any leader to push through reforms in the face of opposition within the Politburo, since building a personal following inside the political system became increasingly complex. The problem faced by Brezhnev's heirs upon his death was how to regain the dynamism that had been lost in Soviet society without sacrificing the protective arrangement that ensured their collective power. Given the enormity and perhaps the intractability of this problem, it is not surprising that the leadership turned to the head of the secret police, the one institution in Soviet society that was least affected by the stagnation and immobilism of the late Brezhnev period.

ANDROPOV AND THE LESSONS OF REFORM

Of all the potential successors to Brezhnev, Yuri Andropov was the individual who best understood the impasse the Soviet system had arrived at as a result of two decades of neglect under Brezhnev. But he was also the potential successor who, given the power instruments he commanded, had the best chance to get the country moving again. Andropov was by no means a liberal in any familiar sense of the word. During his 15-month term as General Secretary, dissidents were severely harassed,

arrested and tried; the secret police (KGB) extended their influence over Soviet society further than any time since the execution of KGB head Lavrenti Beria; ideological deviations in the arts were suppressed; Jewish emigration reached an all-time low; national minorities were denied much of their former token representation in the leadership; and militaristic and xenophobic propaganda campaigns were initiated. But as the former head of the KGB, Andropov had access to information that led him to believe that the Soviet political system had to be revitalized. Even before Brezhnev's death, the signs of Andropov's influence were evident.

In the winter of 1982, a campaign unfolded against corruption in the Soviet bureaucracy and for discipline in the workplace; some of the more prominent targets were closely associated with Brezhnev. In April, 1982, for example, for the first time since 1961 a high-level official, the deputy minister of the fish industry, was executed for an economic crime. Even earlier, rumors circulated around Moscow concerning a corruption scandal within the highest circles of the leadership, with Brezhnev's daughter, Galina, supposedly one of the accused. The death of Semion Tsvigun, the first deputy chairman of the KGB and Brezhnev's brother-in law, in January, 1982, was rumored to be a suicide and fueled speculation that Brezhnev's authority was under attack. In the summer of 1982, the removal of Sergei Medunov, first secretary of the Krasnodar provincial party committee and a Brezhnev supporter, in connection with charges of corruption, and the removal of Nikolai Shchelokov, head of the civilian police and a close associate of Brezhnev, shortly after Brezhnev died in December, 1982, on similar charges lent weight to such speculation. Both officials were subsequently expelled from the Central Committee.

With Andropov's accession to power the campaign for discipline accelerated, and raids were conducted on bathhouses, beerhalls and shopping districts where workers frequently browsed during working hours. The campaign against corruption and mismanagement, however, was only one part of Andropov's dual strategy of reform; the other integral part of that program was economic decentralization. At the November, 1982, Central Committee plenum shortly after his election as General Secretary, Andropov noted that the level at which economic productivity had been growing in the Soviet Union "cannot satisfy us." Later, in an authoritative article in the party journal *Kommunist*, Andropov more frankly admitted that the Soviet economy was operating "not too successfully" and argued that the major cause was that "our work toward improving and reshaping the economic mecha-

nism ... has lagged behind."³ On both these occasions, Andropov shied away from what he called "prepared recipes" for the ills of the economy, but he did suggest that the time had come to learn from the experience of other, less centralized socialist economies, in particular those of Hungary and East Germany. In fact, long before Andropov came to power, in April, 1981, a special interdepartmental council had been set up under the guidance of State Planning Commission (Gosplan) chairman Nikolai Baibakov for the purpose of studying the various economic reforms and innovations that had taken place over the past two decades in East Europe. The council, however, remained largely inactive until spurred on by Andropov.⁴

Andropov's attempts to reform Soviet industry are an unequivocal lesson in the difficulties of inaugurating reform in a conservative oligarchical setting. It soon became evident that whatever the proposals for decentralizing the Soviet economy, they were meeting fierce resistance from the party and planning bureaucracies, and the leadership itself was seriously divided over the issue.

In December, 1982, for the first time in years, an authoritative warning against factionalism in the party was sounded in *Kommunist*. Other signs of conservative resistance in the leadership to economic change were rampant. A Central Committee plenum that had been scheduled for March, 1983 (at which far-reaching economic reforms were supposed to have been announced) was suddenly postponed. In a major address in March, 1983, Central Committee Secretary Boris Ponomarev seemed to contradict Andropov, arguing that any changes in the Soviet economic mechanism would have to accord with the "objective laws" of socialist development, which require that policies "be spared from all kinds of attempts to manage the economy with methods that are foreign to its nature."

At the Central Committee plenum that took place in June, ideological, rather than economic, issues took first billing. As if to confirm that sharp disagreements existed within the leadership, keynote speeches were delivered by both Andropov and his chief rival, Konstantin Chernenko. While Chernenko skimmed over any reference to the need for changes in the economy, Andropov devoted a considerable portion of his address to the problem, appealing to the gathering for support for economic change, which, he said, "is not simply our wish, but rather an objective necessity which we will not be able to avoid." In a major address in late July, party ideologist Mikhail Zimnianin cast further doubt on whether some leaders would support reforms in the economy when he warned against attempts "to copy mechanically the experience gathered by brotherly parties."⁵

In July, 1983, the Politburo announced that it had approved the conduct of "experiments" aimed at increasing the autonomy of industrial enterprises.⁶ To many Western observers, however, the proposed experiments were too little, too late. Not only was the scope of the

³*Kommunist*, no. 3 (February, 1983), p. 13.

⁴For the first public mention of the special interdepartmental council for studying the economies of East Europe, see *Pravda*, March 14, 1983.

⁵See for example, *Kommunist*, no. 18 (December, 1982), p. 8; *Pravda*, March 31, 1983, June 16, 1983, July 30, 1983, and November 23, 1983.

⁶*Pravda*, July 16, 1983.

experiments limited to five industrial ministries, but the experiments were not even scheduled to begin until January, 1984. Moreover, the proposals for the experiments contained little that was new or innovative.

For instance, one experimental measure was to cut the number of plan indicators, a measure that was supposed to have been implemented as part of the reforms initiated by Prime Minister Aleksei Kosygin 18 years earlier. A second element of the experiments—the ending of the practice of paying bonuses to anyone and everyone, without reference to how they fulfill their plans—is precisely the way the Soviet economy was supposed to be working over the past 50 years; because of bureaucratic inertia, it has never succeeded in doing so. The major change was to grant enterprises some financial independence in using their development funds. But given the other restrictions that tie the hands of Soviet factory managers, it is doubtful that this experimental freedom will amount to much.⁷

In early August, a confidential report on Soviet economic problems found its way into the hands of Western correspondents in Moscow. The paper, which had been prepared for the special interdepartmental commission studying proposals for economic reform, implicitly supported far-reaching decentralization in the Soviet economic mechanism and included a characterization of the forces opposed to such reforms in the middle layers of the Soviet bureaucracy. Two weeks later, in an unusual press conference called for foreign journalists in Moscow, Gosplan chairman Baibakov attempted to dispel rumors that a more thorough reform of the economic system was being contemplated, asserting that “while applying measures for broadening the rights of enterprises, we do not set as our task the weakening of centralized management of the economy.”⁸

Try as he might, Andropov failed to push through even minor economic reforms, and even those experiments for which he obtained the approval of his colleagues may be in jeopardy. When the leadership decided to set up a special commission to oversee the implementation of the experiments, complaints were immediately raised that “hothouse conditions” were being created to guarantee the experiments’ success. And only three weeks before the experiments were due to go into effect, the Politburo

reviewed the preparations and found “serious omissions” committed by several ministries and blamed “some party committees” for failing to provide the proper organizational and political support. First reports on the experiments indicated that many participating enterprises experienced considerable supply problems, caused in part by a lack of attention to the needs of the plants on the part of high-level officials.⁹

The spirit of the Andropov administration was best summed up by Andropov himself at the November, 1982, plenum: “By slogans alone we cannot get things moving again.” Unfortunately for Andropov and the program he advanced, that same spirit was apparently not shared by the majority in the Politburo. Although his campaign for discipline did bring short-term results, raising the rate of growth of industry to a more healthy 4 percent and the rate of growth of industrial productivity to 3.5 percent, by the spring of 1983 the campaign had begun to slacken.¹⁰ More far-reaching proposals for economic reform were rejected by Andropov’s colleagues, and even those limited experiments for which they gave their approval had begun to founder on the rocks of the Soviet bureaucracy by the time Andropov died. Soon after his death reports began to reach the West of toasts being raised by black marketeers in celebration of their victory over the deceased leader.

THE PURGE OF 1983–1984

Traditionally, the major weapon that Soviet leaders have used to push through programs of change has been pressure on personnel. For Stalin the “permanent purge,” as Zbigniew Brzezinski called it, involved not only the continual replacement of personnel in all institutions of government, but also the intimidation, imprisonment and liquidation of that personnel. Nor did Khrushchev shy away from employing the personnel weapon to gather power; between 1956 and 1961, he replaced over two-thirds of the members of the party Presidium, the Council of Ministers, the regional party apparatus and half the members of the Central Committee.

Brezhnev’s social contract with the elite put an end to the permanent purge as an instrument for gaining personal power in the Soviet Union.¹¹ The continued existence of that contract is a serious obstacle to any leader who desires reform, and Yuri Andropov came to power determined to revise the system. Nonetheless, under Andropov some elements of that contract remained intact. In the 15 months in which Andropov presided over the Politburo, for instance, not a single Politburo member

(Continued on page 339)

⁷For the announcement of the details of the experiments, see *Pravda*, July 26, 1983. For a discussion of why the 1965 Kosygin reforms, which in many ways were more far-reaching than Andropov’s experiments, failed, see Karl W. Ryavec, *Implementation of Soviet Economic Reforms: Political, Organizational, and Social Processes* (New York: Praeger, 1975).

⁸*Izvestia*, August 18, 1983.

⁹*Pravda*, February 23, 1984; *Izvestia*, March 9, 1984.

¹⁰Andropov’s successors have preferred to retain the language of discipline, but have shied away from such measures as raids and spot inspections, which were very common under Andropov in the winter of 1982–1983.

¹¹Of the four Central Committees elected during the Brezhnev period, at least four-fifths of the living members of the previously elected Central Committee were reelected each time.

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"Nothing suggests an imminent departure in either Soviet policy toward the United States or American policy toward the Soviet Union. On balance, the Reagan administration seems satisfied with the direction and the results of its policy Soviet leaders, having settled—apparently with some difficulty—on a new and equally rigid course, are unlikely to retreat from their declared positions...."

The United States and the Soviet Union

BY COIT D. BLACKER

Associate Director, Center for International Security and Arms Control, Stanford University

ON October 7, 1983, Aleksandr Yakovlev, the newly appointed director of the Institute of World Economics and International Relations in Moscow, published a brief, toughly worded analysis of the Reagan administration's Soviet policy in *Izvestia*. Yakovlev, a former Soviet ambassador to Canada, disagreed sharply with certain unnamed "politicians and public figures" who "were inclined to believe" that current United States foreign policy was an aberration from some preexisting norm, an "irrational moment," attributable largely to the personality of President Ronald Reagan.

On the contrary, Yakovlev alleged, the "reactionary" nature of American policy was reflective of powerful political forces within the United States that had been steadily gaining influence and authority since the defeat of President Gerald Ford in 1976. Idiosyncrasies aside, he argued, Reagan was "reliably carrying out a social order" consistent with the preferences and priorities of the "ruling [American] oligarchy." While Yakovlev stopped short of specific recommendations for Soviet policymakers, his implication was clear: until the advent of a new, more centrist administration in Washington, any hopes for a substantial improvement in superpower relations were misplaced, even dangerous.¹ The following month a fuller treatment of the same subject appeared in the monthly journal of the Institute of the United States and Canada, attributed to the Institute's director, Georgi

Arbatov; for the most part, Arbatov's conclusions were consistent with those of Yakovlev.²

Also in November, writing on the fiftieth anniversary of the establishment of diplomatic relations between Moscow and Washington, Aleksandr Bovin, *Izvestia*'s veteran political commentator, offered his analysis of contemporary United States policy and the prospects for improved United States-Soviet relations. In contrast to Yakovlev, Bovin emphasized the cyclical nature of United States-Soviet relations and dismissed Reagan administration policies as "archaic" and "at variance with the direction of the historical process." In addition, he characterized current United States policymakers as comprising one of two groups within the American foreign policy elite, the other dominated by those who recognized the need to accommodate themselves to "the realities of the nuclear-missile age" and to "reckon with the legitimate interests of the Soviet Union." In Bovin's view, the foreign policy goals of the Reagan administration were unrealistic; thus a "new alignment" of political forces would eventually emerge in the United States that would usher in a new and presumably less hostile period in superpower relations.³

Bovin's explicit optimism—especially his characterization of the Reagan line in foreign policy as nothing more than a temporary phenomenon—contrasted sharply with the fundamental pessimism shared by Yakovlev and Arbatov.

The significance of this debate over the source and character of contemporary American foreign policy is by no means self-evident, given the difficulties in determining what role such semipublic exchanges play or might play in Soviet decision making. The timing of their release further complicates the attempt to understand them. In a major foreign policy statement on September 23, 1983, Soviet President Yuri Andropov seemed to resolve whatever debate might then have been under way in Moscow when he dismissed as an illusion any hope for positive evolution in American policy.⁴ What Yakovlev and Arbatov had written in October and November was consistent with the new Andropov line. How, then, to account for

¹Aleksandr Yakovlev, "Taking the Bit Between Its Teeth," *Izvestia*, October 7, 1983, p. 5, and *Current Digest of the Soviet Press*, vol. 35, no. 40 (November 2, 1983), p. 18.

²Georgi Arbatov, "Razmyshlenia po Povodu Yubileya (k 50-letiyu ustanovleniya diplomaticheskikh otnosheniy mezhdu SSSR i SShA)," *SShA: Ekonomika, Politika, Ideologia*, November, 1983, pp. 3-15.

³Aleksandr Bovin, "50 Years: What Next," *Izvestia*, November 16, 1983, p. 4, and *Current Digest of the Soviet Press*, vol. 35, no. 46 (December 14, 1983), pp. 1-3.

⁴Statement by Yu. V. Andropov, General Secretary of the CPSU Central Committee and Chairman of the Presidium of the USSR Supreme Soviet, *Pravda*, September 29, 1983, p. 1, and *Current Digest of the Soviet Press*, vol. 35, no. 39 (October 26, 1983), pp. 1-4.

the appearance and content of the Bovin analysis?

Bovin's effort to present an alternative explanation suggests the possibility of dissenting voices in the Soviet leadership over the conduct of relations with the United States. Taken together, these two lines may well have represented the scope of elite debate on this issue, even though the matter had apparently been decided by Andropov's statement in September. The vacillations in Soviet policy in the ten months following Leonid Brezhnev's death in November, 1982—vacillations that are explored in the course of this analysis—seem to lend credibility to this interpretation. In the period after late September, Bovin and those holding similar views in the leadership may have been seeking not a reversal of policy per se, but a way to communicate their continuing discontent over the course selected.

Whatever the dynamics, during the late fall of 1983 Soviet policy toward the United States did in fact shift; and the Soviet leadership abandoned the guarded civility that had characterized Moscow's attitudes during the preceding two years in favor of a posture that can only be described as unremittingly hostile.

In an ironic twist, the Kremlin's decision to opt for a harder line coincided almost exactly with a commitment on Washington's part to seek an improvement in relations with Moscow. After almost three years of the most aggressive anti-Soviet and anti-Communist rhetoric in 25 years, backed by record defense budgets, an uncompromising stance in nuclear arms control negotiations, and the highly visible commitment of American power to the Middle East and Central America, the Reagan administration began to speak of "peaceful competition," "shared interests," and the need for "dialogue" between the superpowers.⁵

With the approach of the 1984 presidential election, the administration was eager to deny the Democratic party a possibly effective campaign theme against the incumbent Republicans: that through its actions, the Reagan White House was needlessly stimulating the nuclear arms race and endangering world peace. President Reagan's offer to engage Soviet leaders in constructive negotiations was also directed to West European audiences, who had become increasingly concerned over the confrontational tone in America's Soviet policy. Presidential motivations aside, the Soviet leadership dismissed the offer as insincere, adding that given the administration's record,

"words must be matched by deeds" before any real improvement in relations could take place.

Thus for Moscow, the decision to adopt a firmer stance had all the earmarks of a strategic departure, rather than a tactical adjustment, which could prove as difficult to amend as it had been to adopt. For the United States, on the other hand, the shift, while significant, seemed largely one of emphasis and tone, signaling a change in tactics rather than in substance.

What caused these important changes in the direction of policy, especially in the Soviet case? And what are the probable implications of these changes for the conduct of superpower relations in the immediate future?

DÉTENTE: THE SOVIET VIEW

From Brezhnev's principal address to the twenty-fourth congress of the Soviet Communist party in April, 1971, to the fall of 1983, the undisputed basis of Soviet policy toward the United States was the cultivation of détente.⁶ For Soviet leaders, détente or the "relaxation of international tensions" was the logical and predictable consequence of changes in the political and military balance of power between the socialist and the capitalist worlds. In the Soviet view, the most important change wrought over the past decade was essential military equality between the United States and the Soviet Union. The elimination of American strategic superiority was of fundamental significance, because it deprived the United States of its ability to deal with Moscow from a "position of strength" and compelled Washington to seek normal relations on the basis of mutual advantage and "equal security."

Détente, in Moscow's calculation, was therefore "objectively determined" by the growth of Soviet military capabilities. Barring another shift in the military balance in favor of the United States, Washington was seen to have little choice but to accommodate itself to this new reality. Along with military equality, Soviet authorities argued, equality in political terms would be inevitable, permitting the Soviet Union to assume the status of a global superpower on the American model. Soviet spokesmen, who since Khrushchev's day had spoken of the inevitable shift in the worldwide "correlation of forces" to the Soviet Union's advantage, were by the early 1970's arguing that the transition had in fact occurred. Détente, they proclaimed, was now the permanent basis for United States-Soviet relations.⁷

They were confirmed in this perception by the policies of the Nixon administration. With the 1969 commitment of President Richard Nixon and his National Security Adviser, Henry Kissinger, to improve superpower relations and to seek negotiated limits on strategic nuclear weapons, Soviet analysts began to distinguish between the "realists" in the American foreign policymaking elite, including those then in power, and unreconstructed "cold warriors" who were unwilling to accept the revolutionary changes under way in world politics or to acknowledge

⁵Ronald W. Reagan, "The U.S.-Soviet Relationship," January 16, 1984, in *Realism, Strength, Negotiation: Key Foreign Policy Statements of the Reagan Administration* (Washington, D.C.: United States Department of State, Bureau of Public Affairs, 1984), pp. 107-109.

⁶See Coit D. Blacker, "The Kremlin and Détente: Soviet Conceptions, Hopes and Expectations," and Alexander L. George, "The Basic Principles Agreement of 1972: Origins and Expectations," in Alexander L. George, ed., *Managing U.S.-Soviet Rivalry: Problems of Crisis Prevention* (Boulder, Col.: Westview Press, 1983), pp. 119-137 and 107-117, respectively.

⁷Blacker, "The Kremlin and Détente," *op. cit.*, p. 120.

the Soviet Union as a superpower. The conclusion of the first strategic arms limitation agreements (SALT I) in May, 1972, followed by the so-called Vladivostok accord of November, 1974 (outlining the format and content of the SALT II treaty), provided welcome assurance to Moscow that the "realists" were firmly in control of American policy.

Through the middle 1970's, the Kremlin seemed to believe that despite occasional hesitations and tactical retreats, the "realists" would continue to hold sway in Washington, thereby ensuring the continuation of détente for the foreseeable future. While respectful of the power of anti-Soviet elements in the United States, most Soviet leaders, including Brezhnev, were confident that conservative challenges to the Nixon/Ford strategy could be contained.

This confidence was badly shaken during the latter half of Jimmy Carter's presidency. While still insisting that the future belonged to détente, Kremlin leaders began to speak publicly of the recrudescence of anti-Soviet forces, both within the administration and within the American polity. They assigned to Jimmy Carter personal responsibility for what they regarded as the schizophrenia within his government over United States-Soviet relations, although they took note of the success of such organizations as the Committee on the Present Danger in popularizing anti-Soviet themes and in placing the administration on the defensive with respect to foreign policy.

The Soviet leadership was shocked by the Carter administration's inability to secure the ratification of the SALT II treaty in the summer of 1979, as well as by the apparent political appeal of such conservative themes as Soviet "expansionism" (in the wake of the Soviet invasion of Afghanistan) and American military inferiority (perhaps best symbolized by the phrase "the window of vulnerability"). In 1980 Brezhnev, for example, was forced on more than one occasion to defend his détente policy to his Politburo colleagues while at the same time he had to warn the United States that Moscow's patience with anti-Soviet "intrigues" was waning.⁸

President Carter's defeat in 1980 was therefore greeted in Moscow with a combination of relief and foreboding; at least Jimmy Carter was gone from the scene, although the evident political inclinations of the incoming administration were hardly a source of comfort to the leadership in Moscow. In the interval between the 1980 election and Ronald Reagan's inauguration in January, 1981, the Soviet Union withheld judgment on the new President, seemingly unable to decide whether Reagan really believed his harsh campaign oratory or whether he would

moderate his views once he assumed the responsibilities of office.

THE REAGAN POLICY

From the Soviet perspective, the early signs were not auspicious. Within ten days of his inauguration, the President revealed that he believed Soviet leaders were willing to "lie" and "cheat" in the pursuit of their domestic and international objectives.⁹ In unveiling his \$180-billion program for the modernization of United States strategic nuclear forces on October 2, 1981, President Reagan emphasized his determination to close "the window of vulnerability" as quickly as possible and to restore the military "margin of safety," a euphemism for military superiority used by Republican candidates throughout the 1980 campaign.¹⁰

The substance of the President's message was as alarming to Moscow as his choice of words. By the late 1980's, the administration hoped to deploy in underground silos 100 MX missiles, each armed with 10 independently targetable warheads and able to destroy hardened Soviet military installations. In addition, after 1989 all Trident ballistic missile submarines were to be refitted with the Trident II D-5 missile, which, like the MX, would be a strategic weapon system with "counterforce" capabilities. Overall, between 1981 and the early 1990's, the Soviet leaders could anticipate a three- to fourfold increase in the number of United States "hard-target" ballistic missile warheads. If implemented, such an upgrading of American strategic nuclear capabilities would pose a genuine threat to the survivability of the Soviet Union's land-based missile forces for the first time since the early 1960's. In justifying the program, President Reagan pointed out that Moscow already possessed a similar "disarming" capability against the American force of Minuteman intercontinental-range ballistic missiles, a rationale from which, predictably, the Soviet Union drew little comfort.

During 1982, in support of its defense buildup, the administration sought to communicate to the American public its image of the Soviet Union and its strategy for the management of superpower relations. Perhaps the clearest expression of his views was contained in the President's address to the British Parliament on June 8, 1982. In one of the most carefully crafted foreign policy speeches ever delivered by an American President, Ronald Reagan struck at the very legitimacy of the Communist system by ascribing its oppressive political methods to its fear of popular revolution, noting "the very repressiveness of the state ultimately drives the people to resist it—if necessary by force." He went on to describe the inevitable "decay" of any regime that fails to satisfy the fundamental yearning of its people for basic human rights. "What I am describing now," the President continued,

is a plan and a hope for the long term—the march of freedom and democracy which will leave Marxism-Lenin-

⁸See "In Honor of the FRG's Federal Chancellor," *Pravda*, July 1, 1980, p. 2, and *Current Digest of the Soviet Press*, vol. 32, no. 26 (July 30, 1980), p. 10; and "Speech by Comrade L. I. Brezhnev," *Pravda*, August 30, 1980, pp. 1–2, and *Current Digest of the Soviet Press*, vol. 32, no. 35 (October 1, 1980), p. 2.

⁹*The New York Times*, January 30, 1981.

¹⁰*The New York Times*, October 3, 1981.

ism on the ash heap of history as it has left other tyrannies which stifle the freedom and muzzle the self-expression of the people."¹¹

At the conclusion of his remarks, Reagan outlined a "global campaign for freedom," led by those determined not only to remain free, but "to help others gain their freedom as well."¹²

Thus in response to President Reagan's announcement in late November, 1982, that the United States would proceed with the deployment of 100 MX missiles in a "closely spaced basing" configuration (the so-called dense pack mode), *Pravda* contented itself with the legalistic allegation that such a deployment would "contravene" several important provisions of the SALT I and SALT II agreements. The same editorial dismissed President Reagan's proposals for improving the ability of the United States and the Soviet Union to communicate more reliably during times of crisis by asking, "If 100 MX missiles are complemented by 10 telephones directly linking Moscow and Washington, red or blue, will that make those missiles any less dangerous?"¹³

In his first major foreign policy address on December 22, 1982, Yuri Andropov, Brezhnev's successor as the Communist party's General Secretary, avoided inflammatory rhetoric altogether in reference to the United States. While blaming Washington for the increase in mutual suspicion, he called for the restoration of confidence between the two superpowers and proposed the normalization of relations and a return to détente.¹⁴

Overall, the Soviet leadership seemed either unwilling or unable at this juncture to decide how to respond to the Reagan administration's hard line in foreign policy. Andropov's explicit reference to détente, for example, suggested a lingering reluctance on the part of the leadership to abandon what had been the lodestone of the Kremlin's United States policy for well over a decade or to commit itself to a new course, pending further consideration and reflection. Andropov's very recent selection as the new Soviet leader and his initial strong focus on domestic political and economic issues may account in part for Moscow's largely reactive posture toward the United States during this period.

Two events in the first quarter of 1983—President Reagan's speech on March 8 to the National Association

of Evangelical Christians in Orlando, Florida, and his address two weeks later on United States defense policy in which he first unveiled plans to provide for the "strategic defense" of the United States—served to dispel whatever doubts Kremlin leaders may have had about the essential objectives of the Reagan administration. The combined effect of these two statements was to convince Soviet leaders that any hopes they harbored for the evolution of American policy in the direction of greater "realism" had been misplaced.

In his remarks in Orlando on March 8, President Reagan drew a strong parallel between the totalitarian regimes of the 1930's and the contemporary Soviet Union, characterized communism as just "another sad, bizarre chapter in human history," and pronounced the Kremlin "the focus of evil in the modern world." Reporting the next day, the Soviet news agency Tass pointed to the address as evidence of Reagan's pathological hatred of socialism and communism. A *Pravda* commentary on March 17 by Georgi Arbatov, the Kremlin's senior analyst of American affairs, drew a political-psychological portrait of the Reagan administration's foreign policy officials as fanatical anti-Communists; their profound hostility to the Soviet Union, he wrote, "prevents us from believing that the policy of Washington's current rulers may change for the better."¹⁵

The Soviet reaction to the President's "Star Wars" speech of March 23 was equally sharp. On March 27, Andropov rejected Reagan's assertion that the ability to render nuclear missiles impotent and obsolete through the deployment of ballistic missile defenses would enhance deterrence; on the contrary, he alleged, the practical effect of such an undertaking would be to stimulate an unrestrained arms race in all types of strategic weapons, offensive as well as defensive. He termed the program an American attempt to achieve military superiority, which "the Soviet Union will never allow." Strategic parity, Andropov declared, "is a reliable guarantee of peace, and we will do everything to preserve it."¹⁶

From the Soviet perspective, the administration's decision to pursue the development of strategic defensive capabilities aggressively signified the de facto American abandonment of a deterrent strategy based on the reciprocal capacity of each superpower to inflict unacceptable damage on the other in retaliation for a nuclear first strike. The President's May, 1982, proposals for the reduction of both sides' strategic offensive forces (which, if accepted, would have necessitated at least a 50 percent cut in the number of Moscow's land-based, intercontinental-range ballistic missiles) were seen as yet another way to degrade the Soviet Union's retaliatory capability.

The fact that the administration's refinements in military strategy were largely inspired by perceived Soviet interest in and commitment to a nuclear "war-fighting" posture was, of course, overlooked in the Kremlin's analyses of United States weapons programs. Moscow interpreted the explicit anti-Sovietism of the Reagan

¹¹Reagan, "Promoting Democracy and Peace," June 8, 1982, *op cit.*, p. 80.

¹²*Ibid.*, p. 81.

¹³Editorial, "One Must Reckon with the Peoples' Will," *Pravda*, November 25, 1982, p. 6, and *Current Digest of the Soviet Press*, vol. 34, no. 47 (December 22, 1982), pp. 7-9.

¹⁴Yuri V. Andropov, "Sixty Years of the USSR," *Pravda*, December 22, 1982, pp. 1-2, and *Current Digest of the Soviet Press*, vol. 34, no. 51 (January 19, 1983), p. 7.

¹⁵Georgi Arbatov, "The U.S.—Will There Be Changes?" *Pravda*, March 17, 1983, pp. 4-5, and *Current Digest of the Soviet Press*, vol. 35, no. 11 (April 13, 1983), p. 4.

¹⁶"Yu. V. Andropov Answers Questions from a Pravda Correspondent," *Pravda*, March 27, 1983, p. 1, and *Current Digest of the Soviet Press*, vol. 35, no. 13 (April 27, 1983), p. 4.

White House, with its heavy emphasis on ideological competition, as a manipulative device to justify its pursuit of military superiority. In other words, Soviet officials claimed to see in the administration's military programs and in its rhetoric a coherent political-military design, aimed at the reestablishment of American hegemony on a global scale.

Given this interpretation of American motives, Soviet policymakers sought the most promising available means to disrupt the administration's plans. Their options, they recognized, were few.

The situation with respect to West Europe looked most promising, in light of the apparent West European opposition to the scheduled deployment of the first American ground-launched cruise missiles (GLCM's) and Pershing II ballistic missiles in five NATO countries in late 1983. The deployments, sanctioned by NATO in the famous "dual-track" decision of December, 1979, had prompted widespread discontent, especially in West Germany and the Netherlands. The Geneva negotiations between the United States and the Soviet Union to limit these systems and the Soviet Union's SS-4, SS-5, and SS-20 ballistic missiles had been underway since November, 1981. As the date for the initial deployments of the GLCM's and Pershing II's approached, with no agreement yet in sight, the Soviet Union moved aggressively either to secure an accord or to place the onus for a failure to do so on the United States, thereby exploiting the already high level of United States-European tension over the issue.

Moscow's negotiating position in the intermediate-range nuclear force (INF) talks, from which the Soviet Union never deviated in substance from the start of the negotiations to their suspension, held that a balance of forces already obtained in Europe and that any new American deployments would disturb that balance. From the beginning, the central Soviet condition for agreement was that no American GLCM's or Pershing II missiles could be deployed. Each official Soviet INF proposal—of which there were three between November, 1981, and November, 1983—held to this principle.

In response, the Reagan administration held firm, calling at first for the elimination of all Soviet intermediate-range ballistic missiles in exchange for the cancellation of plans to deploy the GLCM's and Pershing II's (the "Zero Option"); in March, 1983, the administration offered an "interim proposal" permitting each side to retain an identical number of INF warheads on a global basis. In contrast to the Soviet position, the Americans declared that the military situation in Europe was out of balance; as a consequence, any agreement to limit INF

forces must provide for strict numerical equality.

In the end, the United States and the Soviet positions were irreconcilable. During the late fall of 1983, intense private discussions to break the impasse were conducted by the chief American negotiator, Paul Nitze, and his Soviet counterpart, Yuli Kvitsinsky, but they proved sterile. As preparations for the basing of the first nine Pershing II missiles neared completion in West Germany at the end of October, Andropov announced that the appearance of these systems "will make the continuation of the talks now under way in Geneva impossible." On November 23, the Soviet diplomats walked out of the negotiations, declining to set a date for their resumption. The following week, they suspended the strategic arms reduction talks.¹⁷

The Kremlin's refusal to sanction any agreement permitting even a partial deployment of the new American weapons in Europe and the equally firm determination of the Reagan administration to reject any accord that did not provide for equality in the number of INF warheads made compromise impossible. For both sides, the stakes were high. At issue for American policymakers was NATO's ability to follow through on an unpopular but collective decision to offset Soviet nuclear preeminence in Europe by modernizing its theater nuclear capabilities. Short of Moscow's acceptance of the modified "Zero Option," the Reagan administration was determined to deploy the new weapons.

For Soviet leaders, the principal objective was to place enough pressure on the United States through the manipulation of West European public opinion to force the Americans and the NATO governments to abandon their deployment plans. If the deployment proceeded, a secondary Soviet goal was to exacerbate the crisis in order to reveal the President as an opponent of arms control and to undermine his domestic support. They may also have hoped to provoke congressional opposition to the President's defense and arms control proposals and thereby to delay the modernization and enhancement of America's strategic and theater nuclear forces, designed in the Soviet view to ensure American strategic military superiority. Soviet leaders failed to realize either objective.

AFTERMATH

Several months before the collapse of the Geneva negotiations, Soviet leaders had apparently determined that the fundamental hostility of the Reagan administration ruled out for the foreseeable future any improvement in relations. From June to September, 1983, neither Andropov nor any other senior Soviet official spoke out in detail on relations with Washington. Andropov's physical deterioration might account in part for the unusual

(Continued on page 336)

¹⁷Within days of the INF walkout, construction was resumed on SS-20 installations located in the European U.S.S.R., preparations were made for the deployment of Soviet "operational-tactical" missiles in East Germany and Czechoslovakia, and Delta-class ballistic missile submarines were detected within 500 miles of the east coast of the United States.

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"Soviet authorities have frequently intimated to United States diplomats that the 'Nicaraguan problem' can be resolved only in the context of United States-Soviet relations. Sandinista eagerness for close ties with Moscow has permitted the Soviet Union to pursue a virtually cost-free policy. Nicaragua could represent a bargaining chip in Moscow's preferred political settlement in Afghanistan."

Fantasies and Facts: The Soviet Union and Nicaragua

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TO gather support for its programs, the administration of President Ronald Reagan has depicted a cohesive, expansionist "Moscow-Havana-Managua axis." Administration opponents, on the other hand, cling to the image of a nationalist, nonaligned Nicaragua, whose conspicuous ties with Moscow have been thrust upon it. The terms of the American dispute over relations between the Soviet Union and the Sandinista government have been set by the exigencies and limitations of American politics.

Attention to the actual evolving relationship between Moscow and Managua shifts the ground of the *problematique*. The Soviet-Sandinista connection was well-established before the Reagan administration began to harass and villify the Sandinista government. However, over the last three years, more often than not, Moscow has disappointed fond Sandinista expectations. The Soviet-Nicaraguan relationship cannot be grasped through a perspective that sees the superpowers as the only active agents—whether it is the Soviet desire to "penetrate" the region or the Reagan administration's hostility that "pushes" Managua into Moscow's eager hands. Soviet assertiveness is conditioned by many global, regional and domestic factors. On the other hand, the Sandinistas have not been passive victims of superpower pressure, but have actively sought a Soviet economic and military commitment and have made major sacrifices to that end. Finally, while considerable coordination exists, significant tensions have emerged all along that "Moscow-Havana-Managua axis."

A recent and graphic illustration was Nicaraguan Head of State Daniel Ortega's dismal June, 1984, trip to Moscow. Ortega returned empty-handed from his latest effort to upgrade Soviet commitments to Nicaragua's staggering economy and hard-pressed defense. The ab-

sence of the customary communiqué (a sharp departure from Soviet protocol) suggested sharp differences between Ortega and Soviet President Konstantin Chernenko. Before Ortega's mission, it had been widely reported in diplomatic circles that the Soviet-bloc Council of Mutual Economic Assistance (CMEA) had turned down Nicaraguan requests for a loan.

Recently, strains have also begun to surface in the Moscow-Havana relationship. Cuban President Fidel Castro boycotted the June, 1984, CMEA summit meeting. The Cubans have been increasingly outspoken in their public criticism of the Soviet Union for its refusal to alleviate the plight of third world countries. In international forums like the 1983 nonaligned meeting in New Delhi, Cuban spokesmen dropped their insistence on the "natural alliance" between the Soviet Union and the third world. Cuba was the last country to join the Soviet-led boycott of the Los Angeles Olympic Games and appeared to do so only reluctantly. In contrast to the hard anti-American line emanating from Moscow in the summer of 1984, Fidel Castro's July 26th anniversary speech was notably restrained. Many observers believe that Soviet-Cuban tensions were aggravated by the Grenada debacle and that the two countries had widely different appreciations of the political situation in the Caribbean.

This confusion in the ranks contrasts sharply with the expectation that seemed to abound in Moscow as well as among conservatives in the United States and radicals in Central America just after the Sandinista triumph. That revolution marked a dramatic long-term departure in Soviet relations with Central America. In the Soviet media and academic circles, the revolution was hailed as an event of "colossal international importance. . . ."¹ Moreover, unlike the Cuban revolution two decades earlier, the Sandinista revolution generated a formal overhauling of Moscow's political line for the region. For the first time since the adoption of the strategy of "peaceful transition to socialism" at the twentieth congress of the Soviet Communist party in 1956, Moscow began to advo-

¹Sergei Mikoyan, "Las particularidades de la revolucion en Nicaragua y sus tareas desde el punto de vista de la teoria y la practica del movimiento libertador," *America Latina*, no. 3 (1980), p. 37.

cate revolutionary armed struggle in certain areas of Latin America.

Moscow immediately extended diplomatic recognition to the Sandinista regime. In the next year, a series of military, economic, technical, scientific, cultural and political agreements followed. All this was in sharp contrast to Moscow's reluctant and gradual embrace of Cuba in the early 1960's. Within a few weeks, five Soviet generals paid a secret visit to Nicaragua. In March, 1980, the Soviet Communist party signed a mutual support agreement with the Sandinista National Liberation Front (FSLN), a measure normally reserved for Communist parties in countries of "socialist orientation." There were high expectations of a dramatic Soviet involvement in Central America.

Sandinista hopes and Washington fears were reinforced by Soviet bloc involvement in the Salvador guerrillas' "final offensive" in January, 1981. Yet after the failure of the final offensive, El Salvador seemed virtually to disappear from the Soviet press. Soviet propaganda and analysis switched their emphasis to defense against American interventionism. The Soviet Union continued to supply arms, but the Sandinistas were denied the two forms of assistance they most urgently sought—MiG aircraft to compensate for Honduran air superiority and desperately needed foreign exchange. Soviet military and economic support for Nicaragua in 1982–1983 was meager in comparison with Soviet aid to Cuba in 1961–1962 during a similar crisis. Finally, the Kremlin's reaction to the American hailing of Soviet ships in the summer of 1983 and to the damaging of a Soviet tanker in the spring of 1984 was noticeably restrained.

The discrepancy between Moscow's optimism and assertiveness in Central America in 1979–1980 and its cautiousness and retrenchment beginning in 1981 is understandable, for in those years both the global and regional "correlation of forces," to use Moscow's idiom, had shifted to the Soviet Union's disadvantage.

THE GLOBAL CORRELATION OF FORCES

Between 1965 and 1979, the Soviet Union had achieved rough nuclear parity with the United States and widened its conventional advantages. The Soviet development of a blue water navy and a capacity to air- and sealift troops and equipment, combined with the repudiation of United States intervention in the third world,

²Karen N. Brutents, *National Liberation Revolutions Today*, Vol. II (Moscow: Progress Publishers, 1977), p. 217; Morris Rothenberg, *The U.S.S.R. and Africa: New Dimensions of Soviet Global Power* (Coral Gables, Florida: University of Miami Center for Advanced International Studies, 1980), p. 257.

³N.I. Gavrilov and G. B. Starushenko, eds., *Africa: Problems of Socialist Orientation* (Moscow: Mauka, 1976), pp. 10–11.

⁴Seth Singleton, "Defense of the Gains of Socialism: Soviet Third World Policy in the Mid-Eighties," *Washington Quarterly*, Winter, 1984, p. 104.

⁵Karen Dawisha, "The U.S.S.R. in the Middle East: Superpower in Eclipse?" *Foreign Affairs*, Winter, 1982–1983.

enabled the Soviet Union to form a more effective "natural alliance" with many third world national liberation movements. Under the leadership of President Leonid Brezhnev, Moscow abandoned piecemeal Premier Nikita Khrushchev's doctrine of "peaceful transition to socialism" in the third world. Cuba, highly dependent on the Soviet Union, became the model for pro-Soviet regimes in Africa.

During this period, Soviet tactics underwent major innovations. Moscow declared that "political-military fronts" modeled on the July 26th movement could play the role previously reserved for vanguard Marxist-Leninist parties.² Economic ties with the Soviet bloc were no longer considered the main factor for the "non-capitalist road of development." In the mid-1970's the fundamental factor had become the "political, military, strategic and moral influence of the states of the Socialist community."³

This shift reflected the widening gap between Soviet economic weakness and military strength. Accordingly, in dealing with countries like Angola and Ethiopia and later Nicaragua, Moscow recommended the preservation of mixed economies and economic ties with the West. At the same time, the Russians sought overwhelming influence in the military, security and intelligence spheres. Soviet analysts argued that Soviet bloc military aid had become indispensable to third world national liberation and sovereignty and that Soviet gains in the third world were the specific results of the "changed correlation of forces on a world scale."⁴

A division of labor among Soviet bloc countries emerged. Typically, the Soviet Union and Czechoslovakia provided military equipment; Cuba, troops and, along with East Germany, military advisers; East Germany, assistance in internal security; Bulgaria, economic advisers; and so forth. The host country frequently furnished facilities or bases for Soviet naval and air forces as well as sanctuaries for certain approved liberation movements. The pro-Soviet third world regimes were sometimes granted "friendship treaties" but never defense guarantees.

By 1980, the guerrilla struggles against the occupation of Kampuchea and Afghanistan and in Eritrea, Tigre, the Ogaden and Angola; the challenge of Solidarity; the economic difficulties of Cuba and Vietnam; political friction with third world allies like Ethiopia and Angola; the distancing of significant nonaligned countries like Iraq and Algeria; NATO's (the North Atlantic Treaty Organization) resolve to deploy Pershing and cruise missiles; and the United States rejection of SALT II were darkening Moscow's international panorama. Muslims and other Arabs were alienated by the invasion of Afghanistan, the abandonment of Somalia, and the betrayal of Eritrean Muslims. The Shah fell, but the Ayatollah Ruhollah Khomeini's regime became openly anti-Soviet.⁵ Prime Minister Robert Mugabe's Zimbabwe kept Moscow at a distance and frustrated its hopes of a

Soviet-oriented southern African bloc. Increasing United States-China-NATO cooperation and the Chinese call for "parallel actions against Soviet hegemonism" raised the specter of a worldwide "anti-hegemonist united front."

In 1982, an article in the important Soviet journal *Problems of Philosophy* stated bluntly that the Soviet economy no longer was a source of inspiration for the third world.⁶ Recently liberated third world countries and others like India, Iraq and Algeria with long histories of economic relations with the Soviet Union now looked to the West for trade and aid. On many sides, the "natural alliance" between Moscow and the third world was fraying. Third world "united action" against United States imperialism was beset by ethnic and factional strife. Guerrilla insurgencies began to target Moscow's friends in Ethiopia, Afghanistan, Angola, Mozambique and Nicaragua.

At the same time, the policies of the Reagan administration were enforcing Soviet discretion.⁷ Indeed, the Soviet shift to defensive tactics was facilitated by the nuclear rhetoric and the third world policies of the Reagan administration. Taking a cue from Stalin's United Front against Fascism, which targeted Nazi Germany as the main enemy, Moscow sought to organize a "United Front against [United States] Imperialism." Soviet propaganda focused on President Reagan's belligerency. Armed revolutionary struggle yielded pride of place to broad alliances against United States-supported regimes and United States "hegemonism." Moscow sought to mend fences with the Chinese and to woo the European peace movement.

In the 1980's, Moscow has evaded new third world commitments. Instead of new military facilities or clients, it has sought to consolidate and defend "the gains of socialism" in Ethiopia, Angola, Mozambique, Syria,

Vietnam, Kampuchea, Laos, Cuba and Nicaragua. Soviet arms transfers to the third world declined slowly after 1979 and dropped sharply in 1983.⁸ In integrating its third world clients into an extended Soviet empire, Moscow no longer urges them to imitate Soviet-style rapid industrialization but advocates the preservation of agrarian economies as part of a "socialist international division of labor" resembling closely the traditional North-South system Moscow routinely denounces elsewhere.

SHIFTING REGIONAL CORRELATION OF FORCES

The favorable global correlation of forces that held sway in the 1970's, proven successes in new third world strategy, and a compliant and well-fortified Cuba were factors that influenced the dramatic modification of Soviet policy toward Central America at the end of the decade. Nonetheless, no such shift would have occurred without compatible conditions in Central America. Indeed, before 1978, as one Soviet analyst has affirmed, "none of us would utter an optimistic phrase about the future of that struggle."⁹ The traditional Moscow-backed Nicaraguan Socialist party formed an armed wing in 1978. The Cubans provided contacts with international arms dealers and furnished some weapons directly, often in concert with neighboring countries who joined the broad Latin American anti-Somoza coalition.

In the summer of 1978 Havana mediated differences among the Sandinista factions, helping to achieve by March, 1979, a reunification that gave hegemony to pro-Cuban elements. As the 1979 uprising approached, Havana increased direct arms deliveries, organized and armed an "internationalist brigade" to fight alongside the (FSLN) guerrillas, and dispatched military specialists to the field. During the spring of 1979, Cuban military advisers from the Department of Special Operations accompanied FSLN forces into battle while maintaining radio communications with Havana. These advisers, led by Julian Lopez-Diaz, a covert action expert who later became ambassador to Nicaragua, remained in the country after the Sandinistas took power. Key military advisory and intelligence positions were awarded to Cubans. That practice finally led Panama's nationalist General Omar Torrijos Herrera to withdraw Panamanian advisers in 1980 and to offer "friendly warnings" against overreliance on Cuba.¹⁰

In the wake of the Sandinista revolution, Soviet-backed Communist parties in Latin America and Soviet Latin Americanists finally discarded Khrushchev's policy of "peaceful transition to socialism" that had been pursued with singular dedication in Latin America.¹¹ At the same time, Moscow urged local Communist coordination with organizations pursuing armed struggle. Che Guevara's tactics, excoriated by Moscow in the 1960's, were rehabilitated.

Moscow greeted the new Nicaraguan government with a declaration of its interest in pursuing "multifaceted

⁶Y. Novopashin, *Problems of Philosophy* (Moscow), no. 8 (August, 1982), as quoted in *Soviet World Outlook* (Coral Gables, Florida: University of Miami Center for Advanced International Studies, 1983), pp. 5-6.

⁷See Singleton, *op. cit.*, p. 107.

⁸Congressional Research Service, "Trends in Conventional Arms Transfers to the Third World by Major Suppliers," May, 1984, p. 23.

⁹Nikolai Leonov, "Nicaragua, experiencia de una revolucion victoriosa," *América Latina*, no. 3 (1980), p. 37.

¹⁰United States House of Representatives, Subcommittee on Western Hemisphere Affairs, "Impact of Cuban-Soviet Ties in the Western Hemisphere," Hearings, 96th Congress, 1st and 2nd sessions, April 25-26, 1979, p. 29; March 26-27, April 16-17, May 14, 1980, p. 17; Gilbert Lewthwaite, *Baltimore Sun*, June 19, 1979; *Diario Las Americas*, March 28, 1981, p. 10; Central Intelligence Agency, "National Intelligence Estimate," May 2, 1979; "A Revolutionary Friendship Turns Sour," *Latin America Weekly Report*, December 21, 1979, p. 2; *Washington Post*, September 30, 1981; *The New York Times*, September 9, 1981, p. E3.

¹¹For further discussion, see Robert S. Leiken, *Soviet Strategy in Latin America*, Washington Paper No. 93 (New York, Praeger, 1982).

ties." By July, 1980, the Sandinista regime had signed economic, scientific, technical and cultural accords with the Soviet Union, Cuba, East Germany, Bulgaria and Czechoslovakia. Before President Reagan took office in January, 1981, the familiar Soviet bloc division of labor in the third world had emerged in Nicaragua. The evidence is typically partisan and partial, but former Sandinista leaders, defectors, diplomats in Managua and official United States sources draw a similar picture. The Cubans provide doctors, teachers, construction workers, military specialists, intelligence operatives and advisers to the Sandinista party and to various government ministries; Soviet leaders concentrate on state security along with Cubans, East Germans and Bulgarians; the East Germans also assist in intelligence and communications; the Bulgarians handle finance, economic planning and construction; and the Czechoslovaks provide some military advisers.¹²

Soviet-Sandinista military relations predated the Reagan administration. Nicaraguan Defense Minister Humberto Ortega was among the four Sandinista officials to visit Moscow in March, 1980. Moscow equipped the Nicaraguan army with boots, packs and rifles during 1980. A portion of the Soviet bloc military shipments forwarded to the Salvadoran guerrillas equipped the Nicaraguan armed forces.¹³

The Sandinista leadership's pro-Soviet inclinations must be understood first as a reaction to repeated United States intervention in Nicaraguan internal affairs. Moreover, many Sandinista leaders who fled Nicaragua in the 1960's went to live in Cuba and some went to the Soviet Union.¹⁴ Many came to regard Moscow as their "natural ally" and harbored enormous expectations of Soviet economic and military support. In their view, concrete signs of fidelity were needed to assure such support. Thus, in August, 1979, the Sandinista delegation supported the Soviet-Cuban-Vietnamese position in the nonaligned meeting in Havana. Later, in the United Nations, in the face of overwhelming third world condemnation of the

invasion of Afghanistan, the Nicaraguan delegation abstained.

Soviet optimism toward Central America reached a peak in the winter of 1980-1981. In November, 1980, for the first time, Central America was mentioned as a region where "socialist-oriented" states were emerging—in an article in the official Soviet Communist party organ *Kommunist* by Boris Ponomarev, the leading Soviet Central Committee authority on the third world. Two months later, Ponomarev alluded to Nicaragua's "taking the road of transition to socialism."¹⁵ Salvadoran Communist party leader Shafik Handal was awarded an article in the same issue of the Soviet party organ, a rare distinction for a party leader not in power. Both *Pravda* and Tass featured triumphal reports on the Salvadoran guerrillas' final offensive.

In retrospect, however, the failure of that offensive appears to have occasioned another reassessment of Moscow's Central American policy. After the defeat of the final offensive, optimism disappeared from the Soviet bloc media and a curtain descended on El Salvador. Brezhnev omitted mention of El Salvador or Central America in his assessment of the world situation at the twenty-sixth congress of the Soviet Communist party.

By early 1982, Moscow and Havana were anxious to appear as peacemakers in the Caribbean basin. The heady optimism of 1979-1980 gave way to a more guarded view of revolutionary possibilities in Central America.¹⁶ Soviet analysis no longer referred to a "regional upsurge" but stressed the "ebb and flow" of country-specific situations. Moscow pictured the revolutionary movements as reacting defensively to a revanchist American foreign policy, characterized as a return to the "big stick diplomacy" of the pre-Vietnam era. "The aggressive United States counteroffensive" in Central America was portrayed as one aspect of a resurgent United States "militarism" counterposed to the Soviet "peace offensive."

Moscow remained on the sidelines in the Falkland Islands/Malvinas conflict while it blasted American support for Great Britain as "neocolonial" and as another aspect of a global counteroffensive. Soviet advice to other revolutionaries in the region grew circumspect.

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Soviet bloc arms transfers to El Salvador's guerrillas fell off sharply after the final offensive. Nicaragua has continued the flow of ammunition and medicine, but even

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¹²Don Oberdorfer and Joanne Omang, *Washington Post*, June 19, 1983, pp. A1, A4; Gerald F. Seib and Walter S. Mossberg, *Wall Street Journal*, August 17, 1983, p. 1; Richard Halloran, *The New York Times*, August 2, 1983; author's interviews with former Sandinistas, diplomats, etc.

¹³United States Department of State, Bureau of Public Affairs, "Communist Interference in El Salvador," Special Report No. 80 (February 23, 1981), pp. 5, 7.

¹⁴Arturo Cruz, Jr., "The Origins of Sandinista Foreign Policy," in Robert S. Leiken, ed., *Central America: Anatomy of Conflict* (New York: Pergamon Press, 1984), p. 100.

¹⁵Boris Ponomarev, "Joint Struggle of the Labor and National Liberation Movements Against Imperialism, for Social Progress," *Kommunist*, no. 16 (November, 1980), p. 1941; "The Cause of Freedom and Socialism is Invincible," *World Marxist Review* (January, 1981), p. 13.

¹⁶M. F. Gornov, "Latin America: More Intense Struggle against Imperialism and Oligarchy and for Democracy and Social Progress," *Latinskaya Amerika*, July, 1982; translated in United States Department of Congress, Joint Publications Research Service (JPRS), no. 81859, p. 39.

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"It is naive to expect that the caretakers who have been in power in the Kremlin since the death of Brezhnev will introduce significant changes in the management of the economy Bureaucrats at all levels have too many vested interests in the current system; the economy is in trouble but the establishment is doing very well. If a younger group gains power after Communist party General Secretary and President Konstantin Chernenko passes from the scene, we may expect more serious efforts to reform the economy."

Soviet Industry and Trade

BY ALICE C. GORLIN

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IN the continuous stream of attempts since 1965 to tinker with the structures of Soviet industry, the Soviet leadership announced in July, 1983, that another economic reform would be introduced in January, 1984. Western observers were understandably skeptical that this reform would have any more impact on economic performance than others. So were some Soviet economists: at the same time that the reform was announced, a paper prepared by economists at the Siberian division of the Soviet Academy of Sciences was leaked to the Western press. It argued that major decentralizing changes were needed to rescue the economy from its doldrums. Power should flow from middle-level bureaucrats to plant managers as well as to the central planning agencies. The paper acknowledged that such proposals would meet with resistance from those expecting to gain power as well as from those expecting to lose it.¹

This anecdote relates to a major difficulty in the Soviet economy between perceptions of Soviet leaders, on the one hand, and economists, on the other. While the leadership believes that fine-tuning the organizational and incentive structures in industry and trade will eventually achieve perfection in the economic mechanism, many economists believe that much more radical changes are needed.

Table 1 shows that the downward trends in industrial growth rates and productivity improvements have continued into the early 1980's, although some improvement may have occurred in 1983. The most serious problems today include steel, shortages of which are affecting other sectors; oil, whose production has been below plan every month since September, 1983; and coal, whose output fell between 1982 and 1983. Consumer goods production

presents a problem; the living standard of the Soviet people continues to inch forward at a snail's pace. Per capita consumption grew less than 1 percent in 1982, and it has been projected that it will rise by 1.2 to 2.2 percent a year through the 1980's. One bright spot is natural gas, whose output grew by 7 to 8 percent annually from 1981 to 1983.²

In order to reverse the decline in growth the Soviet Union is trying to shift from an extensive growth strategy, in which the primary sources of growth are increments in labor and capital, to an intensive strategy emphasizing productivity improvements. This is because increments to the labor force are expected to be smaller throughout the 1980's than they were in the 1970's, in spite of pronatalist programs, efforts to postpone retirements, and policies to persuade people to migrate from Central Asia (where population is growing more rapidly) to Siberia (where workers are needed for the nation's ambitious energy projects). The decline in the growth of capital will also continue, a major reason being the high rate of military spending.

So far Soviet leaders have not found the key to intensive growth. The original targets of the eleventh five year plan (1981-1985) have in general not been met (see Table 2), although some improvement occurred in 1983 and early 1984, probably as a result of Communist party General Secretary and President Yuri Andropov's campaign for improved labor discipline. In addition, some successes were achieved in economizing on raw materials and other inputs.

Improvements in labor productivity depend on investment policy, because the mechanization of labor contributes to an increase in its productivity. Thus the slower growth of investment does not bode well for labor productivity growth. However, current investment policy does stress mechanization of labor-intensive processes, as well as speedier completion of projects, and more reequipping of older enterprises instead of new construction. The planners hope to achieve output growth with minimal capital investment. The implementation of this policy

¹"Soviet Study Urges Relaxing of Controls to Revive Economy," *The New York Times*, August 5, 1983, pp. 1,4.

²Gertrude E. Schroeder, "Soviet Living Standards: Achievements and Prospects," in *Soviet Economy in the 1980's: Problems and Prospects*, Part 2, A Compendium of Papers submitted to the Joint Economic Committee, Congress of the United States, 97th Congress, 2nd Session (Washington, D.C.: U.S. Government Printing Office, 1983), pp. 368, 385.

Table 1: Average Annual Rates of Growth (in Percentages) of Soviet Industrial Production, Capital and Labor Inputs, and Factor Productivity

	1961-65 ^a	1966-70 ^a	1971-75 ^a	1976-80 ^a	1978	1979	1980	1981	1982	1983 ^c
Industrial production	6.5	6.3	5.9	3.2	3.3	2.1	2.8	2.5	2.3	3.5
Factor productivity	-0.3	0.5	1.0	-1.2	-0.9	-2.2	-1.1	-1.6	-1.1	0.0
Manhours	3.5	3.1	4.4	1.6	1.6	0.7	1.7	1.6	1.6	2.8
Capital	-4.4	-2.3	-2.6	-4.2	-3.5	-5.4	-4.0	-4.9	-4.4	-2.9
Combined inputs ^b	6.9	5.7	4.9	4.5	4.2	4.4	3.9	4.1	3.5	3.3
Manhours	2.9	3.1	1.5	1.6	1.7	1.3	1.1	0.9	0.7	0.6
Capital	11.4	8.8	8.7	7.7	7.0	7.9	7.1	7.8	7.0	6.9

Source: U.S. Central Intelligence Agency, *Handbook of Economic Statistics*, 1983, Table 45.

^aFor computing the average annual rates of growth, the base year is the year prior to the stated period.

^bInputs of manhours and capital are combined using weights of 52.4 percent and 47.6 percent, respectively, in a Cobb-Douglas (linear homogeneous) production function. These weights represent the distribution of labor costs (wages and social insurance deductions) and capital costs (depreciation and a capital charge) in 1970, the base year for all indexes underlying the growth rate calculations.

^cPreliminary

runs counter to the goal of accelerating the introduction of new technology into production. In many cases, the new machinery and equipment installed in existing enterprises are not technically superior to those they replace.³ In addition, centralization results in poor investment decisions, as for example when the capacity of the steel industry's final production stage was increased without planning for capacity increases at earlier stages.⁴

Looking ahead to the 1990's, the decline in increments to the labor force should bottom out. In addition, Soviet leaders are hoping for new discoveries of oil and the development of alternative energy sources (such as atomic power) to ease their energy problems.⁵

Table 3 shows that trade with the Soviet bloc CMEA (Council for Mutual Economic Assistance) countries and the West currently accounts for over 80 percent of total Soviet trade. The tendency for the CMEA share to fall and the Western share to increase was reversed in 1982. Soviet trade with these areas is characterized by exports of energy and raw materials and imports of food, machinery and consumer goods. Oil exports to East Europe have been falling since 1982, because the Soviets have been charging the East Europeans more for oil and encourag-

ing these nations to invest more in coal and nuclear power. However, one result of the June, 1984, CMEA summit was agreement on a new pricing formula for Soviet oil sales to East Europe, which is expected to reduce somewhat the prices these countries are paying.

The Soviet Union is trying to achieve tighter economic integration with East Europe in order to develop the bloc's energy resources and to foster these countries' economic independence from the West. The U.S.S.R. recently signed a 15-year pact with Poland, which calls for greater trade between the two countries as well as direct links between Polish and Soviet factories and the coordination of national economic plans. An important target for greater integration is machinery: the accord calls for joint development in microelectronics, robotics and automated production systems. In the energy field, Poland will help construct natural gas pipelines from Siberia and the Soviet Union will help Poland develop its coal industry. The two countries will also cooperate in the development of nuclear power.

In attempting to strengthen its ties with Poland, the Soviet Union is reflecting concern over Western attempts to impose sanctions on Poland after it suppressed Solidarity, the independent trade union movement, in 1982. In an obvious reference to the United States, the pact calls for increased trade with Western countries that will "not try to use economic relations for political pressure."⁶ At the June CMEA summit, agreements for closer cooperation in planning and high technology research were approved. Soviet leaders did not get as much of a commitment to integration as they sought, because of resistance by Hungary and East Germany, nations heavily dependent on Western trade.

As the Soviets shift oil and natural gas sales to the West, the latter is accounting for a larger share of energy exports, reflecting problems in the oil industry, and this shift in the composition of energy exports is expected to continue. Soviet trade with the West is not expanding as rapidly as it did in the 1970's, mainly because of a short-

³Boris Rumer, "Some Investment Patterns Engendered by the Renovation of Soviet Industry," *Soviet Studies*, vol. 36, no. 2 (April, 1984), pp. 257-259; Ann Goodman and Geoffrey Schleifer, "The Soviet Labor Market In The 1980's," in *Soviet Economy in the 1980's: Problems and Prospects*, Part 2, p. 341.

⁴Statement of Herbert Levine, *The Political Economy of the Soviet Union*, Joint Hearings before the Subcommittee on Economic Goals and Intergovernmental Policy of the Joint Economic Committee, Congress of the United States and the Subcommittee on Europe and the Middle East of the Committee on Foreign Affairs, House of Representatives, 98th Congress, 1st Session (Washington, D.C.: U.S. Government Printing Office, 1984), p. 59.

⁵M. Elizabeth Denton, "Soviet Perceptions of Economic Prospects," in *Soviet Economy in the 1980's: Problems and Prospects*, Part 1, p. 45.

⁶"Soviet and Poland in Economic Pact," *The New York Times*, May 22, 1984, p. 38.

Table 2: Fulfillment of the Eleventh Five Year Plan (Official Soviet Data)^a

	Average Annual Target 1981-1985	Actual 1981	Actual 1982	Actual 1983	First Quarter, 1984 ^b
Rate of growth of industrial output, in percent	4.7-5.1	3.4(4.1) ^c	2.8(4.7) ^c	4.0(3.2) ^c	4.9
Rate of growth of labor productivity in industry, in percent	4.5	2.7	2.1	3.5(2.9) ^c	4.6(3.4) ^c

^aWestern estimates of Soviet growth rates are in general lower than the official Soviet data.

^bThe base for calculating first quarter rates of growth is what was achieved in the first quarter of the preceding year (1983).

^cThe numbers in parentheses are revised plans for these years. In general actual performance looks better in relation to revised plans, as opposed to original plans.

Table 3: Soviet Foreign Trade, 1965-1982 (percent of total trade)

Year	Communist countries	CMEA members	Developed capitalist countries	Developing countries
1965	68.8	58.0	19.3	11.9
1970	65.2	55.6	21.3	13.5
1975	56.3	51.8	31.3	12.4
1978	59.8	55.7	28.0	12.2
1979	56.1	51.9	32.1	11.8
1980	53.7	48.7	33.6	12.7
1981	52.8	47.6	32.2	15.0
1982	54.3	49.1	31.6	14.1

Source: *Vneshnyaya torgovlya SSSR; Statisticheskyy sbornik*, relevant years.

age of hard currency. Soviet trade with Western Europe is far more important than with the United States and Japan, and in 1983 there was an additional shift toward Europe: the Soviet Union's trade with Western Europe grew 6.4 percent while its trade with other industrial countries fell 16 percent. The shift was related to increased energy sales to Europe, increased purchases of machinery and equipment from Europe, and reduced grain imports (an important source of grain imports is the United States).

⁷Angel O. Byrne, James E. Cole, Thomas Bickerton and Anton F. Malish, "U.S.-U.S.S.R. Grain Trade," in *Soviet Economy in the 1980's: Problems and Prospects*, Part 2, p. 61.

⁸Marshall I. Goldman, *U.S.S.R. in Crisis: The Failure of an Economic System* (New York: W. W. Norton & Company, 1983), p. 131.

⁹Alan H. Smith, "Soviet Economic Prospects," in Martin McCauley, ed., *The Soviet Union After Brezhnev* (New York: Holmes and Meier, 1983), p. 75.

The outlook for 1984 is for disappointing energy revenues and increased food imports. The gas pipeline between West Europe and the Soviet Union is in operation, but recession and conservation in Europe have reduced demand to about half the pipeline's capacity. It is predicted that Soviet gas revenues will fall far short of the \$10 billion a year the Soviet Union anticipated. Continuing problems in oil production, soft oil prices, and growing internal demand are also expected to decrease oil revenues. At the same time, there is evidence of drought in the Soviet Union this year; another poor harvest could boost American-Soviet trade in food. Even with good harvests the Soviet Union is expected to be a heavy grain importer for the next several years because it intends to increase meat production, part of the leadership's commitment to improve the Soviet diet. Under current United States policy forbidding selective embargoes on farm products the United States is expected to have a large share of the sales.⁷

The Soviet Union's hard currency difficulties may force it to borrow heavily again from Western banks. Just recently, it negotiated a \$250-million loan from 31 Western banks, and one banker observed that this is probably just an opener. This is the first direct credit to the Soviet Union, other than export credits, since before the invasion of Afghanistan in 1979.

LINKS BETWEEN INDUSTRY AND TRADE

In theory, if a nation specializes according to its "comparative advantage" (what it is relatively best at producing) and engages in trade with other nations, it can improve its standard of living beyond what could be provided by domestic industry in the absence of trade. Soviet trade patterns are roughly consistent with comparative advantage. Agriculture is inefficient, so food is a natural import. The rigid planning system is not very good at incorporating new technology into production or at producing high quality and varied consumer goods, so technology and consumer goods rank high on the import list. And it makes sense for the Soviet Union to export some of its vast energy and raw material resources.

Clearly, the Soviet consumer is better off than he would be in the absence of trade. The extent to which imports of technology have helped the economy is difficult to determine, though it seems clear that they have been crucial in industries like computers, chemicals, steel and energy. However, the Soviet economy has trouble assimilating imported technology; American businessmen believe that when their technology is installed in the Soviet Union it operates at 60 percent of its usual efficiency.⁸ According to one estimate Western machinery and equipment have raised Soviet annual growth rates by 0.5 per cent per year.⁹

A number of Western observers believe that Soviet attitudes toward trade with the West have changed since the optimistic 1970's when Communist party General Secretary and President Leonid Brezhnev characterized

foreign trade as a "big reserve" for Soviet economic development.¹⁰

In 1976 Brezhnev also stated that, "economic and scientific-technical ties with the capitalist states strengthen and broaden the material basis of the policy of peaceful coexistence."¹¹ Thus Soviet objectives in East-West trade have included relieving domestic bottlenecks, improving productivity and developing new industries, and providing an economic underpinning to détente. However, shortly before his death Brezhnev criticized Soviet managers who think that importing Western technology will solve all their problems, and he suggested that domestic technologies be developed. This sentiment has been echoed by academician A. P. Aleksandrov, President of the U.S.S.R. Academy of Sciences, and others.¹² But at the 1981 congress of the CPSU, Prime Minister Nikolai A. Tikhonov reaffirmed the importance of trade for the economy.

In this author's opinion, the attitude of the Soviet leadership toward the usefulness of East-West trade has not fundamentally changed. In 1983, Soviet imports of industrial technology from the West rose 15.1 percent, hardly evidence of disillusionment.¹³ The falling off of technology imports in some recent years has been due to a shortage of hard currency and to political problems, which have made Soviet leaders leery of relying too much on this trade; the same difficulties probably underlie their renewed interest in cooperation with East Europe. The United States places more restrictions on exports to the Soviet Union than its European allies, and this may explain the recent shift in trade emphasis toward Europe. But even in the midst of very poor relations between the United States and the Soviet Union, Soviet leaders remain interested in cultivating ties with American businessmen; the atmosphere at a recent meeting of the Soviet-American Trade and Economic Council was very cordial.

¹⁰William H. Cooper, "Soviet-Western Trade," in *Soviet Economy in the 1980's: Problems and Prospects*, Part 2, pp. 455-456.

¹¹Hedija Kravalis, "U.S.S.R.: An Assessment of U.S. and Western Trade Potential with the Soviet Union Through 1985," in *East-West Trade: The Prospects to 1985*, studies prepared for the use of the Joint Economic Committee, Congress of the United States, 97th Congress, 2nd Session (Washington: U.S. Government Printing Office, 1982), p. 278.

¹²Goldman, *op. cit.*, pp. 132-133.

¹³*The New York Times*, April 3, 1984, p. D17.

¹⁴Herbert S. Levine, "Soviet Economic Development, Technological Transfer, and Foreign Policy," in Seweryn Bialer, ed., *The Domestic Context of Soviet Foreign Policy* (Boulder, Col.: Westview Press, 1981), p. 191.

¹⁵Erik P. Hoffman and Robbin F. Laird, *The Politics of Economic Modernization in the Soviet Union* (Ithaca: Cornell University Press, 1982), pp. 141, 151-156; Ed. A. Hewett, "Foreign Economic Relations," in Abram Bergson and Herbert S. Levine, eds., *The Soviet Economy: Toward the Year 2000* (London: George Allen and Unwin, 1983), p. 297.

¹⁶Hewett, *op. cit.*, p. 292.

¹⁷Franklyn D. Holzman, *The Soviet Economy* (New York: The Foreign Policy Association, 1982), p. 48.

The Soviet Union would like to reorient its exports more toward manufactured goods, which are less subject to price fluctuations in international markets, result in a higher return on investment and, because they diversify Soviet exports, make the Soviet Union less dependent on trade with the West.¹⁴ Soviet steps to accomplish this include the limited reorganization of the foreign trade bureaucracy and efforts to promote new economic relationships, especially with Western firms.

In the early 1970's, some Soviet economists advocated abolishing the monopolistic position of the Ministry of Foreign Trade and used Hungary as an example of the advantages of decentralization of foreign trade decision making. They pointed to the lack of coordination between Soviet foreign trade organizations and the ultimate end users of imports or producers of exports. These reformers called for direct commercial relations between Soviet ministries and enterprises, and foreign corporations. Nothing this radical has been implemented, but even under the conservative Brezhnev regime some organizational changes were introduced. A 1978 decree increased the power of the foreign trade organizations. They are now headed by boards consisting of representatives from the Ministry of Foreign Trade and the industrial ministries that produce the traded goods. The boards are supposed to improve coordination between enterprises and foreign trade organizations. The Ministry of Foreign Trade still has ultimate control over the foreign trade activities of enterprises. Ministries and departments still do not play an important role in planning imports and exports. In spite of the introduction of financial incentives to encourage production of hard currency exports, most ministries and their subordinates are discouraged from participating in foreign trade.¹⁵

The Soviet government is also interested in promoting cooperation agreements between Soviet and foreign firms. These are an important aspect of the Soviet pact with Poland. Industrial ministries and some enterprises have come to play a more important role in negotiating and carrying out these agreements.¹⁶ However, there are still very few cooperative ventures between Soviet and Western firms. Another scheme is a compensation agreement in which the Soviet Union eventually pays for equipment installed in its country with the products produced by the equipment. This is popular with Soviet leaders because it gives them a guaranteed market for their exports, conserving foreign currency. The natural gas pipeline between the Soviet Union and West Europe is an example. A third option is the counterpurchase deal, a simultaneous exchange of exports and imports.¹⁷ The problem with these arrangements from the point of view of Western firms is the limited demand in Western countries for Soviet exports of manufactured goods.

The technology underlying the finished products sold in international markets is becoming increasingly complex; the advantage lies with the seller who can quickly incorporate the latest technology and respond to rapid

changes in demand and a variety of specialized needs. In spite of the changes described, Soviet foreign trade decision making remains highly centralized and unable to make these quick adjustments. In addition, Soviet exports of manufactured goods have suffered from style and quality problems, and there have also been complaints about shortages of spare parts and poor after-sales service.¹⁸ Soviet central planning is better at producing and exporting primary products and mass produced items.

Without fundamental reforms that decentralize the domestic economy, the Soviet Union will be unable to penetrate Western markets. The only alternative might be the creation of a special export sector insulated from the rest of the economy and enjoying a priority similar to that of the defense sector. Soviet leaders would then be assigning priority to yet another sector of the economy. They would be in a position of having too many priorities, which means no real priorities at all. In addition, whether exporting factories enjoy high priority or not, the work habits of their managers and workers are totally alien to what is needed in the international market. So a special export sector would probably not solve the problem. The fact that the Soviet Union forbids direct foreign investment cuts it off from participation in the technological race.¹⁹

PERPETUAL REFORM

The discussion of foreign trade reforms suggests that economists and the leadership, while they may agree on what ails the economy, do not agree on the solution. Thus a recent target of party criticism was the U.S.S.R. Academy of Sciences Institute of Economics, for not performing studies that would enable Soviet planners to perfect the economic mechanism.²⁰

In the official view, the economy's problems are attributable to lack of dedication and hard work on the part of individual workers and organizations; narrow departmentalism on the part of ministries and other organizations, which leads them to avoid cooperation with related industries; and minor imperfections in the incentive and organizational structures of Soviet industry, which the latest reform is always designed to correct. In the official view, the problems are not endemic to central planning.

An example of this point of view is *Pravda's* discussion of the problems of oil extraction in the Tyumen region. Poor planning, low quality equipment and labor force prob-

lems are blamed. *Pravda* criticizes the indifference of Tyumen workers, who allowed pipes and drilling gear to rust or to be thrown away. Ministry and other officials are also blamed for lowering plans instead of tackling the problems and for always trying to shift the blame to others.²¹

The leadership's approach to the problems is perpetual reform. One effect of the post-1965 decrees, in the opinion of most Western and some Soviet economists, has been to reverse completely the limited decentralization introduced in 1965. As more and more restrictions have been placed on enterprise managers' activities, the power of ministries and other middle level organizations has increased. For example, to improve labor productivity, Soviet leaders have centralized decision making under the State Committee for Labor and Social Questions.

There have been more efforts to steer workers into particular industries. The eleventh five year plan contains ceilings on the number of workers in industrial enterprises. There has been a crackdown on absenteeism and drunkenness at work, frequent job changes, and parasitism (attempts to avoid employment). Unauthorized absences from work now lead to an automatic loss of vacation time and medical benefits. Police have been ordered to round up parasites and put them to work. An exception to the general trend toward centralization is the increased authority of labor brigades in factories, which have been given more power to organize their work and impose discipline on their members.²² Notably absent from efforts to increase labor productivity is a substantial increase in consumer goods production.

New planning indicators have been introduced to ensure that enterprises economize on scarce raw materials. Plans now contain limits on spending on materials expressed as rubles per unit of output. Performance with regard to this indicator affects the size of the enterprise's bonus fund; there is also a new series of bonuses for economizing on raw materials.²³ As a result the bonus system has become extremely complex. The administrative burden on agencies responsible for monitoring performance has increased. What Soviet reformers do not seem to realize is that rules and regulations, if they are to be effective, must be enforced, using resources that could otherwise be devoted to production.

The Soviet Union is also trying to reorient planning and management toward specific programs like energy, food and transportation. Gosplan (the State Planning Commission) has been reorganized into program-oriented (as opposed to product-oriented) departments to plan for and supervise groups of related branches. New interdepartmental organizations have been set up to bypass the traditional ministerial structure and to see to it

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¹⁸Kravalis, *op. cit.*, p. 293.

¹⁹Philip Hanson, "The Soviet System as a Recipient of Foreign Technology," in Ronald Amann and Julian Cooper, eds., *Industrial Innovation in the Soviet Union* (New Haven: Yale University Press, 1982), p. 429.

²⁰"Economics Institute Told to Improve Work," *Current Digest of the Soviet Press*, vol. 36, no. 8 (March 21, 1984), pp. 1, 3.

²¹"*Pravda* Blames Oil Ministry for Tyumen's Lag," *Current Digest of the Soviet Press*, vol. 36, no. 14 (May 2, 1984), pp. 4-5.

²²Goodman and Schleifer, *op. cit.*, pp. 324, 336, 338.

²³Gertrude E. Schroeder, "Soviet Economic 'Reform' Decrees: More Steps On The Treadmill," in *Soviet Economy in the 1980's: Problems and Prospects*, Part 1, p. 71.

"The penalties for secrecy are many and obvious [in the Soviet Union]. A major industrial country that tells so little about its most lagging economic sector is sure to lose some of the international prestige which otherwise plays such a prominent role in international power play."

Soviet Agriculture: A State Secret

BY FOLKE DOVRING

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SOVIET agriculture is now enveloped in more secrecy than at any time since statistics were first published in the post-Stalin era of the 1950's. This renewed reticence about agricultural production is related to a marked slowdown in agricultural production that is even worse than the parallel slowdown in general economic growth. National income (a Soviet concept) was reported to be growing by yearly rates of 9 percent in the 1950's and early 1960's, down to 6 percent in the early 1970's, and only 3.1 percent in 1983, with the growth target for 1984 also set at 3.1 percent. Planners appear resigned to slow economic growth for the time being.

At the same time, Soviet population growth has turned upward. After a period of slow decline in the population growth rate, which stood at 0.8 percent a few years ago, the rate has risen to almost 1 percent in 1983. Per capita national product evidently does not grow by more than 2 percent per year, at which rate it will take more than 30 years to double. In real growth, the Soviet Union is now falling behind many capitalist countries and may also be falling behind the world as a whole. So far, the Soviet Union has escaped the growth-retarding effects of the energy problem that plagues the West and many low-income countries. Despite increasing trade dependency on the rest of the world, the U.S.S.R. must still seek the sources of its problems within itself.

Earlier reports of rapid economic growth in the Soviet Union were certainly exaggerated, and the recent slowdown might be less striking for that reason. Official claims placing the size of the Soviet economy at two-thirds that of the United States will not stand up to any comparison of real consumption like that of food.¹ Now as before, a prime criterion of the performance of the Soviet economy is the agricultural sector.

NEWS BLACKOUT ON GRAIN

Official data on agricultural production in the Soviet Union have never been abundant. Compared to other

countries, Soviet leaders publish only the bare bones of agricultural statistics. But recently this has gone from bad to worse. Beginning with the 1981 grain harvest, which was the smallest in many years, official news accounts have fallen silent on the vital question of grain production. This silence prevails despite a somewhat better harvest in 1983. The blackout on news about grain crops extends into the statistical compilations published in 1983, which have dropped the whole time series on grain production and grain yields.² On other major crops, figures are still given for production and for yield per hectare, but on grain crops (including pulses) only sown areas and plan figures for future production are published.

The news blackout on grain production is an important political event. Why grain was singled out for such silent treatment is not as simple a question as it may appear on the surface. There may be more than one motive behind this superficially self-incriminating omission. For the last five years only a 4 percent increase is claimed, compared to 18 percent in general economic growth.³ As if to remove the possible illusion that comparison with the record grain year of 1978 might be misleading, the statistical table adds a footnote to show that comparing averages for two five-year periods centering around the years 1976 and 1981 shows the same result of 4 percent growth in 5 years. Such a growth rate in agricultural production is no higher than the current rate of population growth. Thus, per capita domestic production of food has not increased, despite the boost to animal production from imported feed grain. The cost of imported food of all kinds rose from 1.5 percent of the national product of the Soviet Union in 1975 to a range of 2.25 to 2.50 percent in recent years, meaning that between 6 and 7 percent of the nation's food was imported. Domestic per capita food production, minus feed imports, may actually have declined somewhat.

Published plan targets for 1984 are sufficiently modest that even if they are reached it will take a long time to catch up with the backlog in agricultural growth. Even the reported 5 percent gain for 1983 over 1982 is difficult to verify. The few clues from Soviet sources, and some from international statistics, are shown in Tables 1 and 2.

¹*Narodnoye khozyaystvo SSSR*, 1979, p. 67.

²Thus, *Narodnoye khozyaystvo SSSR*, 1982, *SSSR v tsifrakh*, 1982, and several parallel publications at the republic level.

³*Vestnik statistiki*, no. 2 (1984), p. 65.

Table 1: Grain production in the U.S.S.R.: recent data and plan targets
(in million metric tons)

Crop	1971-75 Average	1976-80 Average	1985 Plan ^a	1986-90 Plan	1980 Actual	1981 Estimate	1982 Estimate	1983 Estimate
Wheat	88.9	99.7	100.0	—	98.2	80.0	87	83.0
Rye	11.5	10.8	15.7	—	10.2	8.5	12.5	15.0
Barley and oats	58.1	72.1	87.0	—	58.1	53.0	55	72.0
Maize (corn)	10.2	9.6	19.0	20	9.5	8.0	12	16.0
Millet	2.5	2.2	3.6	—	2.8	1.5	2	2.2
Buckwheat	0.95	0.94	1.65	—	1.0	—	—	—
Rice	1.75	2.3	3.1	—	2.8	2.4	2.5	2.6
Pulses	7.3	6.9	14.0	18-20	6.4	5.6	6.5	7.0
Total	181.6	205.0	245.0	50-255	189.0	160.0	178.5	199.0

Sources: *Narodnoe khozyaystvo SSSR*, 1979, 1980; *Ekonomika sel'skogo khozyaystva*, no. 12 (December, 1981); 1990 Program (see footnote 3); *Vestnik statistiki*, no. 10 (1981); and *FAO Monthly Bulletin of Statistics*, vol. 6, no. 12 (December, 1983), with "F" estimates for 1981, 1982 and 1983.

^a Relates to the year 1985, not to the average for the plan period 1981-1985, for which the plan figures are somewhat lower. A range of 238 to 243 million metric tons of all grains is given as the 1981-1985 plan target in *Voprosy ekonomiki*, no. 5 (May, 1984), p. 81.

Table 2: Production of major field crops other than grains in the U.S.S.R.: Recent data and plan targets
(in million metric tons).

Crop	1971-75 Average	1976-80 Average	1981-85 Plan	1986-90 Plan	1980 Actual	1981 Actual	1982 Actual	1983 Actual
Cotton	7.67	8.93	9.2	—	9.96	9.64	9.28	9.2
Sugar beet	76.0	88.7	100-103	102-103	81.0	60.8	71.3	82.0
Sunflower	5.97	5.31	6.7	7.2-7.5	4.62	4.68	5.35	5.4 ^a
Potatoes	89.8	82.6	87-89	90-92	67.0	72.1	78.0	83.0
Vegetables	23.0	26.3	33-34	37-39	27.3	27.1	29.2	29.0

Sources: *SSSR v tsifrakh* 1982 g, pp. 43, 116-117; *Ekonomicheskaya gazeta*, no. 6 (February, 1984); and the 1990 Program (see footnote 3).

^a From the *FAO Monthly Bulletin of Statistics*, January, 1984.

The first table contains most of the answer, although this is drawn from unofficial estimates made by an international agency, the Food and Agriculture Organization (FAO) of the United Nations. Since the Soviet Union is now a member of the FAO, it must be assumed that the estimates have been approved by a Soviet representative, standard operating procedure in the international agencies. Thus, these estimates may well be somewhat on the high side. The grain total, 199 million metric tons, is slightly higher than the total of 195 million tons cited in the figures provided by the United States Department of Agriculture. Of the specified grains, wheat production is far below all recent (pre-1981) years; barley and oats production is not much better. Of the other grains, only maize (corn) and rye come close to fulfilling the plan targets.

The same is even truer of the crops listed in Table 2. None of the food crops approach the plan targets. Only cotton, an irrigated crop, where the plan called for no increase, appears successful. Sugar beets and potatoes are barely back on the track of the late 1970's, and vegetable

production is little better.

Animal production also appears to have increased less than the average 5 percent increase, despite the imports of feed grain and other measures to strengthen the feed base.

In short, the plans for food production in the eleventh plan period (1981-1985) have apparently not been fulfilled. The lag is most visible in grains, but other food crops also fail to meet the targets. Current plans give few clues as to how the gap is to be overcome.

PRODUCTION AND WELFARE

The Soviet regime is anxious to show improvements in its population's well-being. Taking food supply and its cost as one of the most objective indicators gives an unfavorable view of the system's efficiency.

The demand for food is among the more stable demand functions, with respect to both price and income. The latter feature is widely known as Engel's Law, after the German statistician Ernst Engel (a contemporary but not a namesake of Friedrich Engels). Even more significant is the finding that the income-related demand function for food, the Engel curve, is remarkably similar the world over.⁴ This means that at any given level of real per capita

⁴L. Goreux, "Income and Food Consumption," *FAO Monthly Bulletin of Agricultural Economics and Statistics*, October, 1960.

consumer spending, the fraction spent on food is practically the same all over the world. This fraction can be taken as a prime indicator of the level of a population's standard of living.

Soviet statistics do not inform us about food expenditure, but we have some data on the use of manpower and capital. Soviet agriculture still employs (officially) 20 percent of the labor force. With a realistic assessment of labor used in private agriculture, the figure is likely to be somewhat higher. If we add the forward linkages into the food processing and marketing activities (still not counting the black-market trade, which is large but not well known), then the total labor input into the Soviet people's food is not far from one-third of the total. As regards the use of capital, Soviet agriculture and its backward and forward linkages (the "agro-industrial complex" that includes supplies to agriculture and to food manufacturing and marketing) have taken almost one-third of all new capital formation in the country in recent years. The share of industrial goods used as annual production inputs in agriculture can no longer be estimated (because of lack of recent input-output tables), but is likely to be of similar magnitude. Then we have still not tried to estimate the equivalent, in manpower, capital and other production goods, that is spent on producing the export goods (largely oil and gold) by which the Soviet Union earns the foreign exchange it needs to pay for food imports. One recent article states that the food industries put out 41 percent of all consumer goods in the Soviet Union.⁵

These magnitudes are significant. A nation that uses one-third of its real resources to feed its people cannot be anywhere near so affluent as official Soviet data claim. With one-sixth more people than the United States (275 million against 236 million, summer, 1984), the official claim that the Soviet economy is two-thirds the size of the United States economy should mean a proportion of per capita real product of about 55 percent of that of the United States. Countries with that income level, like Italy, Spain, Hungary or Venezuela, still spend only about one-fifth of their national product on food consumption. To find the fraction that the Soviet economy spends on food, one has to go to semideveloped countries like Portugal, Korea, the Philippines or Thailand, none of

which reaches one-fourth the per capita national product of the United States. Thus, according to data on its food consumption, the Soviet Union is either much poorer than official yardsticks allow, or else it is suffering from severe economic distortion—after all, the Soviet people are not starving, they live at a fair distance above minimum subsistence levels. Official retail prices for food are subsidized at unrealistically low levels, but the burden on the economy cannot be reasoned away. Health data indicate that not all is well as regards essential supplies, whatever the reasons may be.⁶

THE POLICIES OF THE PAST

The blackout on data on grain production is not the only sign of reticence on the part of the Soviet authorities. Current publicity on other aspects of agriculture is not generally as secretive, but on the whole Soviet agriculture is given less space than usual, and often it is wrapped up in the whole "agro-industrial complex." Reference is continuously made to the 1990 Food Plan, as published in May, 1982,⁷ but the explanations of how the targets are to be reached are usually exhortations asking all citizens to do their duty.

There are few traces in the press in 1984 of the structural debate that was rife a few years ago. In 1982, for instance, the Soviet press made several references to the semiautonomous *zveno* (a small work group, resembling a two-family farm in the West), but the search for unorthodox remedies has apparently receded into the background. Frequent references to brigades in industry, and the large scope given to investments in animal husbandry (for buildings and equipment) point toward a renewed strengthening of the collective character of Soviet agriculture. The merits of individual agriculture, and of agricultural production by firms, administrative units and army units (which also figured prominently in 1982), are now seldom mentioned. Instead, the traditional means of expansion are reinforced—plus one less traditional one, of which more below. Use of chemical fertilizers in the Soviet Union reached a level similar to that of the United States around 1980. Current plans foresee a 26 percent increase from 1980 to 1985, along with continued expansion of pesticides and chemical additives to livestock feed.⁸

It is also assumed that agricultural machines are to continue increasing. The tractor fleet, which stood at 2.562 million units in 1980, is planned to increase to 2.9 million in 1985. The increment in five years would be merely 338,000 or 11.3 percent. But annual deliveries were 357,000 in 1981, 349,000 in 1982 and 372,000 in 1983. At that rate, deliveries for five years would be five times the five-year increment just cited, and annual scrapping would be over 80 percent of the year's deliveries, which is in keeping with data from the late 1970's.⁹ With continuing high use of motor fuel, it can be concluded that machines are used at a higher rate than in the United States. The machine fleet would then be ample for

⁵S. Avakov and S. Assekritov, "Pishchevaya promyshlennost'—vazhnoe zveno prodovol'stvennogo kompleksa," *Plano-voe khozyaystvo*, no. 3 (March, 1984), pp. 108–115.

⁶Murray Feshbach, "Soviet Health Problems," *Society*, vol. 21, no. 3 (March/April, 1984), pp. 79–89.

⁷*Prodovol'stvennaya programma SSSR na period do 1990 goda*, published as an appendix to *Sel'skaya zhizn'*, May 27, 1982, and to *Ekonomicheskaya gazeta*, no. 23 (June, 1982).

⁸Report in *Ekonomicheskaya gazeta*, no. 5 (January, 1984), with an article by A. Petrishchev, minister for fertilizer production in the U.S.S.R.

⁹Folke Dovring, "Capital Intensity in Soviet Agriculture," in D. A. Francisco, Betty A. Laird and R. D. Laird, eds., *Agricultural Policies in the USSR and Eastern Europe* (Boulder, Col.: Westview Press, 1980), pp. 12–13.

its tasks, provided it is well used. Why the fleet needs to continue increasing is not clear. The proportions are similar for other agricultural machines.

The problem of machine use is linked to the question of fuel use in agriculture and in its supporting industries. It was indicated indirectly a few years ago that agricultural production was consuming one-tenth of all energy in the country.¹⁰ This estimate now seems to have been on the low side. A recent article estimates that during the years 1959–1972, the whole “agro-industrial complex” (what we would call agribusiness) consumed 14–15 percent of all energy in the country, even though this did not include the indirect use that might have been calculated from input-output tables.¹¹ Agriculture’s share in oil refinery products was said to be far higher—as much as one-fourth. All of this is in value terms that are hard to compare with other data. Of these magnitudes, the article goes on to say, agriculture took one-half, industries providing the agribusiness complex with inputs, one-third, and the industries processing and servicing agricultural products, one-sixth. Despite difficulties with the extrapolation of data, we are told that in 1976–1980, energy use in Soviet agriculture increased at twice the rate of agricultural production.

RISING CAPITAL INTENSITY

All the data on fertilizers, machines and fuel indicate increasing capital intensity in Soviet agriculture, even as production stagnates. The same is true of the entire Soviet economy. Five-year index numbers for 1978–1983 show capital formation growing at nearly the same rate as the whole national product, with production of the means of production still growing nearly as fast as production of consumer goods in Soviet industry. At the same time, the stock of productive capital is shown to grow about twice as fast as the national income (39 percent versus 18 percent in five years). If this is credible—and that depends on valuation scales and rates of depreciation on the books—then the marginal productivity of capital must be declining.

Rising capital intensity is striking both in agriculture and in the whole economy. The system (and especially agriculture) has been highly capital-intensive for a long time.¹² The ingrained habit of accumulation for the sake of accumulation appears unable to halt the slowdown in production. With its high and rising capital intensity, the sluggish agricultural sector is an embarrassing drag on the whole economy.

¹⁰*Ibid.*, pp. 18–22.

¹¹N. Pomazkov, “Energoekonomicheskie svyazi agropromyshlennogo kompleksa,” *Voprosy ekonomiki*, no. 4 (1984), p. 89; also cf. p. 82: agriculture consumes directly 45 percent of all diesel fuel in the country, 30 to 35 percent of the gasoline, and 7 percent of the electricity.

¹²Folke Dovring, “New Plans and Old Results for Soviet Agriculture,” *Current History*, October, 1982, pp. 323–326, 341–342.

The high tide of “chemicalization” (the massive input of fertilizers and pesticides) has apparently run its course, giving way to diminishing returns at the margins. When this happened to land productivity and labor productivity, capital productivity must actually have been declining, because capital intensity kept on rising even as the use of labor went down somewhat and the land area used for agriculture remained nearly static.

When all this huge input of the material means of production still does not deliver the desired goods, it is easy for an outside observer to blame the Soviet system’s general inefficiency. No doubt there is a good deal of that, difficult as it is to measure, especially with widespread black-market trading. That includes both food and some of what is officially agricultural inputs (how much fuel is stolen?). But when Soviet authorities assume a stance of studied silence in many matters relating to agricultural production, then more than embarrassment because of the system’s inefficiency may be involved.

DROUGHTS AND PAST POLICY

When the Soviet Union suffered three bad grain harvests in a row (1980, 1981, 1982), official comments emphasized drought conditions—but that might not mean what it usually means. When even the more normal harvest year 1983 failed to live up to plan expectations or to recapture the harvest levels of the peak years of the 1970’s, then even the Soviet authorities may have been forced to pause and assess the situation.

What if the indifferent yield level of 1983 is in fact normal? Maybe the peak years of the 1970’s were freaks of nature? Or maybe the very conditions for crop yields have deteriorated?

The possibility that the Soviet Union is approaching a yield ceiling for grain crops cannot be dismissed out of hand. Even in the West—say, in North America—the gains in grain yield through plant genetics and fertilizer technology are not as large as the public may imagine. Many areas in the Soviet Union doubled their yields during the chemicalization drive, and further increasing fertilizer inputs may lead to diminishing returns.

The question of a possible yield ceiling can be illustrated by citing data on improved lands. Croplands with irrigation (in the dry areas) or with artificial drainage (mainly in the Baltic republics, Belorussia, and other western, high-rainfall areas) were reported in 1984 to be

(Continued on page 338)

Folke Dovring is a former United Nations official. His writings include several books, among them *Land and Labor in Europe*, 3d ed. (The Hague: Martin Nijhoff, 1965); and *Riches to Rags: The Political Economy of Social Waste* (Cambridge, Mass.: Schenkman, 1984), and many articles on land reform, income distribution, development dynamics and energy. One of his articles has appeared in *Voprosy ekonomiki*, the economics journal of the Soviet Academy of Sciences.

"There is little reason to be sanguine about the party's ability to deal with the complex of labor problems it confronts.... Andropov's emphasis on discipline, even if it is maintained by his successors, cannot further raise productivity or overall industrial growth rates, even if it could bring about real improvements in economic performance."

The Soviet Labor Force

BY DAVID E. POWELL

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IN 1960, John F. Kennedy ran for the presidency of the United States with the promise "to get this country moving again." While he obviously succeeded in gaining office, it is less clear whether he managed to carry out his promise. His principal adversary after the election, Soviet Premier Nikita Khrushchev, staked out an even bolder claim: "to catch up to and surpass the United States" in the production of heavy industrial items, consumer goods and agricultural foodstuffs. Khrushchev clearly failed in his quest; indeed, his party program introduced so enthusiastically in 1961 is now being revised, partly to delete some of the more embarrassing discrepancies between promise and reality.

Today, a new group of Soviet leaders must wrestle with many of the same difficulties that Khrushchev confronted. In their own way they, too, are trying "to get their country moving again." Among the seemingly intractable problems facing them as they try to stimulate economic growth is the character of the Soviet labor force. It has proved extremely difficult to motivate the ordinary worker; drunkenness, poor work habits and a high rate of labor turnover continue to impede Soviet economic performance. More recently, official concern has been reinforced by another troublesome development, the emergence (or, some would say, the impending) shortage of manpower.

According to two prominent American demographers, in 1970–1990 the Soviet labor force will expand at only one-third the rate that prevailed from 1950 to 1970. They predict that over the course of the twelfth five year plan (1986–1990), the average annual population increment will be only 761,000 as against an average figure of 2,029,000 per year during the tenth five year plan.¹ The relatively small generation that was born in the 1960's will be entering the labor market in the 1980's; it will not

be sufficient to replace the much larger generation born during the 1920's, which is already beginning to leave the work force.

Although Soviet leaders are anxious to find additional manpower, it is far from certain that this is where the problem lies. Certain Soviet and Western analysts have argued that there is, in fact, no labor shortage in the Soviet Union. They point to low labor productivity, the inefficient use of the work force (e.g., the "hoarding" of manpower by enterprise managers), excessive and inadequately regulated population migration, high rates of labor turnover in most sectors of the economy, inefficiencies associated with central planning, the lack of automated machinery and equipment, the poor quality of most vocational guidance programs, and the loss of work time because of poor "labor discipline" as the impediments to economic growth. Indeed, there are Soviet specialists, including leading economists at the U.S.S.R. Academy of Sciences Institute of Economics, who have dismissed the whole idea of a manpower shortage as "imaginary" and "fictional."²

Whether such a shortage actually exists will not be answered here. More broadly, what are the consequences of a perceived labor shortage? What are the major problems that affect the "working class?" What has been the official response?

WORKER INCENTIVES AND DISINCENTIVES

When Lenin and his followers seized power in 1917, they did so in the name of "the workers." Although most of the leading Bolsheviks were middle class, they claimed to speak for the proletariat and said they had engineered a "socialist" revolution. In 1891, Lenin first declared that Russia was a capitalist nation; three years later, he elaborated on this statement by promising that, "the Russian worker, leading all democratic elements, will bring down absolutism and will lead the *Russian proletariat* . . . by the direct road of open political struggle to the triumphant Communist Revolution."³

In view of the fact that close to 90 percent of the population were peasants living in small villages, isolated from one another and from the major cities of the empire, this was a rather remarkable assertion. Indeed, it re-

¹Murray Feshbach and Stephen Rapawy, "Soviet Population and Manpower Trends and Policies," *The Soviet Economy in New Perspective*, Joint Economic Committee, United States Congress (Washington, D. C., 1976).

²*Ekonomika i organizatsia promyshlennogo proizvodstva* (hereafter EKO), no. 2 (1978).

³Cited in Richard Pipes, ed., *Revolutionary Russia* (Cambridge, Mass.: Harvard University Press, 1968). Emphasis in the original.

vealed more about Lenin's revolutionary impatience and imagination than it did about his fidelity to the scientific method. It was only after the Bolshevik takeover, when Lenin and Stalin built up a sizable working class in Russia, that the "fit" between Communist doctrine and Russian/Soviet reality made sense.

Since 1917, the Communist party has ruled the country in the name of the working class. Many Western observers have questioned the party's legitimacy, pointing out that the "dictatorship of the proletariat" could more accurately be described as a dictatorship over the proletariat. The Stalin era was particularly brutal: while millions of "Trotskyites," "wreckers" and other "enemies of the people" were shot or consigned to remote areas of the "Gulag Archipelago," countless ordinary workers also experienced severe hardship. As a leading Western scholar pointed out some years ago, except for the relatively relaxed period of the NEP (New Economic Policy) during the early 1920's, the regime's "relentless drive for economic development . . . strained the population to the limit of human endurance."⁴

Stalin's reign, with its five year plans, forced collectivization of agriculture and demand for impossibly high rates of investment and capital accumulation, witnessed a drastic reduction in living standards. Consumer goods were invariably in short supply, and those that were available for purchase were of poor quality and expensive. The typical citizen's diet, never very adequate in the past, deteriorated still further as productive resources were withheld from agriculture and were concentrated on heavy industry and the Soviet military-industrial complex. The existing housing stock proved incapable of accommodating the millions of peasants who migrated to the cities, and new housing was poorly designed and of inferior construction. So many people were arriving to fill the new jobs at factories and construction sites, however, that even the newest apartment complexes were quickly overcrowded. As early as 1928, the newspaper of the Young Communist League spoke of the "extremely crowded conditions (3.7 people to a room)" that prevailed in workers' barracks.⁵

Working conditions also deteriorated as more and more peasants swarmed into the cities. A Soviet labor expert of the time criticized factory managers for neglecting "the most elementary conditions of normal work (lighting, ventilation),"⁶ but discreetly avoided commenting on the real source of the problem—Stalin's demands for industrialization at any cost. At the same time, workers were faced with progressively higher output

norms and were told to emulate the achievements of "shock-workers" like Aleksei Stakhanov. By 1930, officials were calling for, and then requiring, overtime work, and a year later they lashed out against individuals who dared to think of resting when they were weary.⁷

For much of the Stalin era, workers in the Soviet Union were forbidden to leave their jobs or to accept another without permission from their employer. Managers, in turn, allowed the departure of an employee "in only a few instances specified by law." Anyone who left a job without the requisite permission could be imprisoned for up to four months. In addition, individuals found guilty of "unauthorized absence" from their jobs could be sentenced to "corrective labor" at their place of work for up to six months and could be fined up to 25 percent of their pay for the same period.⁸

These and other laws were repealed after the dictator's death in 1953, partly out of revulsion at the excesses of Stalin's rule and partly as a calculated attempt to encourage workers to do their jobs better. In the post-Stalin years, therefore, ideological expressions of solicitude for "the toilers" ceased to be such a grotesque joke. Prodded first by Stalin's immediate successor, Georgi Malenkov, later by Nikita Khrushchev, and subsequently by other Soviet leaders, the regime altered its policies on "the labor front," becoming far more attentive to workers' preferences and needs. Wage increases, a reduction in the number of hours worked per week, the introduction in the 1960's of a five-day week, massive increases in investment in the agricultural sector, greater attention to the production of consumer goods, and the construction of millions of apartments and day-care centers have brought about a substantial increase in living standards.

There is very little modesty on the part of officials who speak of the party's generosity. President Leonid Brezhnev declared on one occasion that,

The major objective and the main content of the policy which our party consistently implements involves creating for the worker the most pleasant surroundings for work, study and leisure, in order to develop and utilize his abilities to the fullest.⁹

The leaders may well be genuinely solicitous of the welfare of the Soviet masses; they may really be determined to increase the citizens' standards of living and quality of life. But whatever their desires, their ability to achieve their goals is severely circumscribed by the economy's declining rate of growth. Although there has been considerable improvement in the indicators for industrial output and labor productivity since Brezhnev's death in 1982, virtually all Western specialists (along with a surprising number of Soviet experts) regard this phenomenon as ephemeral. Unless Moscow introduces major structural changes in the economic system, there is every reason to expect the downward trend to resume. As Joseph S. Berliner has put it, "The continuous decline in the growth rate is the dominating note in the prologue

⁴Mark G. Field, "Drink and Delinquency in the USSR," *Problems of Communism*, vol. 6, no. 3 (1955), p. 255.

⁵Cited in Solomon M. Schwarz, *Labor in the Soviet Union* (New York: Praeger, 1952), p. 265.

⁶*Ibid.*, p. 266.

⁷*Ibid.*, pp. 281–282.

⁸Jerzy G. Glikzman, "Recent Trends in Soviet Labor Policy," *Problems of Communism*, vol. 5, no. 4 (1956), p. 21.

⁹*Pravda*, April 22, 1970.

with which the past introduces the economic future.”¹⁰

Potential increases in gross national product, industrial output, labor productivity and other key indicators are inhibited by the very character of Soviet planning, the prevailing system of incentives and rewards, and the inefficient, even irrational, use of land, labor and capital. It has proved especially difficult to modernize Soviet industry: any attempt to promote technological change collides with powerful structural barriers, including conservative attitudes on the part of planners and managers alike. “As is appropriate in a planned economy,” Berliner has written, “material rewards have been geared toward motivating management to fulfill and overfulfill output plans.” The easiest way to do this is “to avoid the risks of production slowdown normally associated with new products or new processes.” In addition, since central planning “provides in advance for the distribution of most enterprises’ output, the latter have a virtually guaranteed market for their output and are therefore under no pressure to adopt the innovations already introduced by more progressive firms.”¹¹

These circumstances conspire to ensure that most products will continue to be of inferior quality, that there will be a limited assortment of most kinds of goods, that colors will remain drab, and that many items will be in short supply or unavailable. All this, in turn, militates against worker enthusiasm and productivity.

The rate of growth of the consumption sector, like that of the economy as a whole, has been slowing down markedly in recent years. This development has affected not only food, but clothing, consumer durables, housing, education and health services. Today, per capita consumption in the Soviet Union is approximately one-third of the United States level, about half that in France, West Germany and Great Britain, and somewhat over two-thirds per capita consumption in Italy and Japan. More important, Soviet consumers are less well off than most of their East European counterparts. For example, Soviet meat consumption figures are below those of all other East European countries with the exception of Romania, and the same pattern holds for passenger car ownership. On the basis of these and other measures, Gertrude Schroeder has concluded that there is “a substantial Soviet lag in [living standards] relative to most countries with which Soviet consumers might wish to compare themselves.”¹²

As if all this were not bad enough, it is likely that things will get worse. Many factors are at work here: the probable slowdown in the rate of economic growth, the high cost of Western imports, the Soviet Union’s hard currency debt, the low prices available for most Soviet export products (e.g., oil, gold and diamonds), increased mili-

tary expenditures and the perpetual crisis in agriculture. Under these circumstances, Soviet planners will find it difficult to allocate additional resources to the consumer sector. Increased wages or transfer payments, without a commensurate increase in the provision of consumer goods and services, will only add to the already high rate of personal savings. It may even add to popular feelings of frustration, rather than alleviate them.

The performance of Soviet agriculture is, if anything, even more troublesome to the authorities and ordinary citizens. Problems of production, storage, transportation and marketing—all related, in one way or another, to the system of incentives—have led to frequent disruptions of urban food supply. Meat, fresh fruit and vegetables and high quality foods in general are often difficult to obtain, even in large cities. Almost everywhere, the quality of foodstuffs available through the system of state stores has deteriorated, and certain staples sometimes disappear for months or years on end.

The fact that food shortages have become so commonplace irritates consumers. At the same time it has implications for the legitimacy of the Soviet system, for it testifies to a major failure in regime performance. Addressing a plenary session of the party Central Committee in October, 1980, Brezhnev admitted that there had been “difficulties” in supplying the population with sufficient quantities of meat and milk. A year later, at another meeting of the Central Committee, he was far more outspoken, declaring that, “The food problem is, economically and politically, the central problem of the whole five-year plan.”

What is extraordinary about this statement is the Soviet leader’s concern about the political problems posed by inadequate food supplies. Long lines, rationing in some areas, stores running out of the most basic foodstuffs after being open for only a few hours, three successive years of poor grain harvests (1979, 1980 and 1981) and a failure to fulfill the plan in subsequent years, may cause the party leadership to reflect more pointedly on the turmoil in neighboring Poland. At the very least, these phenomena contribute to a malaise that inhibits hard work and frustrates any hope of engineering an economic turnaround.

The highly conservative oligarchy of elderly men who run the Soviet Union are probably unable to accept radical changes in the economic system they supervise. At the very least, they show little inclination to do anything more than tinker with the planning mechanism, adjust the structure of incentives and rewards, and introduce tentative and partial reforms.

EDUCATIONAL REFORM

The labor shortage—whether genuine or a result of bottlenecks in planning and inefficiencies in the use of existing manpower resources—has helped give direction to the official response. The leadership has chosen to focus on getting more young people into the labor force

¹⁰See his article in Robert Wesson, ed., *The Soviet Union: Looking to the 1980s* (Stanford, Cal.: Hoover Institution Press, 1980).

¹¹*Ibid.*

¹²See Schroeder’s article in *ibid.*

rapidly; trying to persuade older men and women, particularly those who have just reached or are approaching retirement age, not to stop working; and offering the best workers special rewards while demanding that indifferent, unproductive workers mend their ways. In addition, some Soviet scholars have proposed that other ideas, some radical in nature, be implemented. Although their suggestions are debated vigorously and receive considerable publicity, they have yet to win the endorsement of the country's leaders.

The most widely advocated approaches include the following:

(1) *Devoting more attention to vocational training for youngsters.* Schooling in the Soviet Union traditionally has involved an emphasis on polytechnic education, but few urban boys or girls look forward to a life as blue collar workers, and even fewer youngsters who grow up in the countryside want to remain there permanently. It is precisely these attitudes that have produced the real or apparent Soviet labor shortage, and now party officials and planners are determined to do something about it. They have been restricting access to higher academic institutions, thereby ensuring that more young men and women will enter the workplace after they graduate from secondary school. They have also made it more difficult for the children of collective and state farmers to migrate to the cities, thus ensuring a flow of young people into agriculture.

They have also introduced a major educational reform, which requires all school-age children to perform "socially useful work," and which stresses their "labor upbringing and training and vocational guidance." Elementary-school pupils are supposed to learn how to build and repair simple items, grow plants and flowers, and make toys and "various useful objects for the school, kindergarten and home." Older children are to obtain more rigorous vocational training, including the obligation to work at a local enterprise during the academic year.

Youngsters in grades two through four will be expected to put in three hours a week at socially useful labor; those in grades five through seven will work four hours a week; pupils in grades eight and nine are to put in six hours each week; and tenth and eleventh graders must work eight hours a week. Furthermore, during their summer vacation, the same boys and girls will be required to work at a factory or farm. (The reform law speaks laconically of "a certain reduction in the length of the summer vacation.") Younger children will have to give up 10 days each summer, and the obligation increases among older age groups; the maximum of 20 days applies to the oldest boys and girls.

That these measures are not designed to provide Soviet

pupils with "fun" and that they are not a form of creative play needs to be emphasized. A year ago, Soviet President Yuri Andropov spoke of the need "to inculcate into schoolchildren the habit of, and a love for, useful labor." No matter what task is assigned to the child, Andropov emphasized, "it must without fail be real, productive work that is needed by society."¹³ His successor, Konstantin Chernenko, has been even more explicit. "We expect a return from the reform in the area of the economy," he has said. "Every workplace created for pupils in the upper grades should bring a concrete result for society—not necessarily a large one, but definitely a real one."¹⁴

Despite a demonstrated lack of public support, the first stages of the reform are scheduled to be introduced during the 1984–1985 school year. Probably the most controversial aspect of the new system is the requirement that 50 percent of all children who graduate from "incomplete secondary school" (that is, who finish grade nine) be channeled into secondary vocational-technical schools. Parental resistance to this demand is genuine, even if it is expressed obliquely. For example, a published survey of popular responses to the new requirement conducted by the newspaper *Sovetskaia Rossia* found that more than three-fourths (76 percent) of those polled indicated their approval. But, the newspaper added, when asked how they would feel if their child was enrolled in one of these vocational-technical schools, only half as many parents (38 percent of the sample) approved.¹⁵

The authorities seem to have taken such sentiments into account in preparing the final version of the law. The first draft of the reform program (published in January, 1984) spoke of the need to consider the country's manpower situation, as well as the preferences and abilities of the pupils, when deciding on their academic future. But, as Sergei Voronitsyn has noted, "Under [the] pressure of public opinion," the final version required that "the wishes of the parents" and "the recommendations of school pedagogical councils" be considered as well.¹⁶

The long-range impact of these changes is difficult to gauge. Although Chernenko has declared that the school reform "is not a one-time measure," there is reason to expect pressure for changes as time goes by. Three problems are immediately apparent. First, one wonders whether the time spent on vocational training (including travel time to and from the enterprise) will interfere with pupils' performance in their more academically-oriented classes. Second, the emphasis on unskilled and semi-skilled labor would appear to be increasingly out of place in a modern (or even a modernizing) economy that seeks primacy in the world of technology. Finally, as the *Sovet-*

(Continued on page 342)

¹³*Pravda* and *Izvestia*, June 15, 1983.

¹⁴*Pravda* and *Izvestia*, April 11, 1984.

¹⁵*Sovetskaia Rossia*, February 24, 1984.

¹⁶Sergei Voronitsyn, "What Awaits Soviet Schoolchildren?" *Radio Liberty Research*, RL 229/84 (June 8, 1984), p. 5.

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"The Soviet Union seems to be caught between two divergent approaches: one holds out lingering aspirations for invulnerability and continues to press for preemptive options and strategic defense as a means of limiting damage. The other recognizes the elusive nature of this aspiration and the need to promote deterrence."

Soviet Military Policy in Transition

BY CYNTHIA A. ROBERTS

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FOR the Soviet military, the 1980's mark a period of important transitions and new challenges.* In three fundamental respects, the Soviet military is reaching a new phase. First, the military leadership is fleshing out the principal themes of a major revision in military doctrine. The new approach places greater emphasis on the conduct of conventional operations and on the avoidance of nuclear escalation. It has emerged from a gradual process of rethinking established strategic concepts and their relationship to technological advances.

Second, the military leadership is actively promoting the reorganization of the Soviet armed forces that began in the 1970's. This restructuring, which has been accompanied by key personnel changes, is an attempt by the General Staff to streamline strategic command and control (C²) by integrating Soviet forces into district and theater commands.

Finally, in connection with the substantial changes taking place in doctrine and organization, the military leadership is trying to direct investment allocations toward those technologies that hold the most promise for improving Soviet capabilities and meeting military requirements. At the same time, choices about future technological uncertainties must be balanced against current technological realities.

The general principles on war and military policy that underlie Soviet military doctrine represent the accepted views of the Communist party leadership on the character and political objectives to be pursued in war, the peacetime preparations of the state and the armed forces for war, and the methods of fighting. Soviet military doctrine is composed of two interdependent components. The social-political dimension defines the likely adversary and reflects the class character and political goals of the state. The military-technical dimension deals with a

*The author is grateful to Kevin Hallinan for his comments on an earlier draft of this article.

¹For a general discussion of doctrine see the sections on "Doktrina voennaia" and "Voennaia nauka" in *Sovetskaia voennaia entsiklopedia (SVE)*, vol. 3 (Moscow: Voenizdat, 1977).

²See Herbert S. Dinerstein, *War and the Soviet Union* (New York: Praeger, 1959).

broad range of defense questions including the organization, technical equipment and training of the armed forces and the forms and methods for conducting military operations.¹

Assessing the evolution of Soviet military doctrine is not easy for Western observers; although shifts tend to occur gradually, doctrine is not always finely tuned or internally consistent. The Soviet approach seeks to maintain equilibrium among all the elements that comprise doctrine, but there may be inconsistencies. First, the principles of Marxist-Leninist ideology do not always square with the objective realities of military technology. Second, over time the social-political and military-technical components of doctrine may veer apart. Third, dichotomies may arise because the principles of doctrine are defined so broadly that they incorporate a wide range of military options. As a consequence, Soviet military doctrine has limited value as a predictor of Soviet war-time behavior and may offer only general guidance on Soviet decisions about weapons procurement and force structure.

Since the era of Premier Nikita Khrushchev, Soviet military doctrine has held that nuclear war is not inevitable and that Soviet policy should assign highest priority to its prevention. Should a nuclear war occur despite the Soviet Union's best efforts, doctrine maintains that it will be a decisive clash between the two social systems. Soviet leaders recognize that nuclear war would entail unprecedented death and destruction. But since the mid-1950's their implicit acknowledgement of this fact has never been fully reconciled with the Marxist-Leninist proposition that history dictates the survival of the Soviet system and the ultimate victory of socialism over capitalism. This fundamental inconsistency has been reinforced by the Soviet military leaders' view that nuclear war is a contingency that must be prepared for and, if unleashed, must be won.

The doctrinal implications of nuclear weapons were the subject of intense debate during the Khrushchev period.² At that time, the prevailing view leaned strongly against any admission that technology could threaten the ideological and political legitimacy on which the system is

based. However, during President Leonid Brezhnev's era, the debate over survival and victory in nuclear war was rekindled. Brezhnev directly addressed this question in his report to the twenty-sixth congress of the Communist party of the Soviet Union in February, 1981. He insisted that it was "dangerous madness . . . to count on victory in nuclear war." In April of the same year, Brezhnev's protégé on the Politburo, Konstantin Chernenko, stated in a major speech that "any responsible state figure is forced to recognize that the use of nuclear weapons places the future of mankind in doubt."

Such authoritative pronouncements represent a marked shift in official posture. But this shift does not fully reconcile the original dichotomy. Soviet ideology still does not permit the reversing of the course of history, much less a prior admission of defeat, nuclear or otherwise. Equally important, many senior military officials continue to evoke the concept of victory. The most prominent spokesman for this view is Marshal Nikolai Ogarkov, chief of the General Staff.[†] In a lengthy discussion of military strategy published in 1979 in the *Soviet Military Encyclopedia*, Ogarkov explicitly refers to the Soviet Union's "objective possibilities for achieving victory [*pobeda*]" in a nuclear war. More recently, in an authoritative pamphlet, Ogarkov states plainly that an important aspect of the military-technical component of Soviet military doctrine in the nuclear age is "to defeat [*razgrozheniia*]." conditions."

Ogarkov acknowledges that it would be suicidal to gamble on striking first; and in the leading party journal he also echoes Chernenko's refrain about the future of all mankind being at stake in a nuclear war.³ But because he is concerned that deterrence might fail, as well as to enhance the army's morale, nowhere does he suggest that the Soviet armed forces would not emerge victorious in the event of an enemy attack.

Another major principle in Soviet military doctrine stems from a deep-rooted emphasis on surprise and preemption. Concerned about the vulnerability of their own military forces, Soviet defense planners began in the mid-1950's to stress the importance of seizing the initiative and "frustrating the enemy's nuclear attack." In part, this reflects the legacy of 1941 and the profound effect that the German attack has had on the progress of Soviet strategic thought. The objective of destroying the adversary's ability to prosecute the war was thought best served by dealing him preemptive nuclear blows. This interest in damage limitation also accounts for an early Soviet emphasis on counterforce targeting and the de-

velopment of ballistic missile defense and civil defense.

During the mid-to-late-1960's, Soviet military doctrine shifted to include the possibility that war might begin with the use of conventional weapons. This new formulation emerged, in part, from a growing belief that the advantages of initial nuclear strikes were diminishing as both United States and Soviet forces were becoming more survivable. It also was a response to the North Atlantic Treaty Organization's switch to "flexible response" and controlled escalation. More recently, it has become evident that this shift toward an initial conventional war phase marked the start of a major reassessment of Soviet military doctrine. The process of rethinking established military concepts gained momentum in recent years under the guidance of Marshal Ogarkov and the General Staff. Although this process is still under way, it already appears that considerable thought has been given to a second inconsistency in Soviet military doctrine, between the stress on preemption and the overriding importance of preventing the outbreak of nuclear war.

Four main themes of this new orientation are:

- 1) The current strategic situation renders both the Soviet Union and the United States vulnerable to retaliatory nuclear strikes.
- 2) The Soviet Union must continue its efforts to prevent the outbreak of war. In the event that such efforts fail, Soviet strategic objectives should be obtained as swiftly as possible with the use of conventional forces.
- 3) Nuclear escalation must be avoided by the expeditious achievement of Soviet objectives. Yet Soviet strategic nuclear forces must be maintained at a high state of readiness to guard against a surprise attack.
- 4) The Soviet Union must be organized and prepared to fight a protracted war.

Although it has been long in coming, the new consensus that the superpowers are subject to a relationship based on mutual vulnerability is a significant development. Only three years ago Brezhnev observed that "A peace based on mutual intimidation [or deterrence, *ustrashenie*] holds no attraction for us." Whatever the objective realities of the nuclear age, Soviet leaders long believed that deterrence was an unsound and unreliable basis for Soviet security. Thus it is of no small interest that Marshal Ogarkov endorsed the proposition initially put forward by United States Defense Secretary Robert McNamara that both sides possess the ability to sustain a first strike and still inflict "unacceptable damage" on the other. Equally significant, Ogarkov maintained that Soviet strategic nuclear forces as a whole—not simply the Strategic Rocket Forces—serve as the principal factor for deterring the aggressor.

Whether the Soviet Union prefers this new situation remains difficult to ascertain. Given continuing Soviet developments in ballistic missile defense and civil defense, it is unlikely that Soviet leaders are entirely comfortable with the notion of deterrence. Moreover, the Soviet leadership has not failed to take note of President Ronald Reagan's plans to reduce America's vulnerability by developing new means of strategic defense.

[†]Editor's note: On September 6, it was announced in Moscow that Ogarkov had been relieved from his post and replaced by Marshal Sergei F. Akhromeyev.

³N. V. Ogarkov, "Strategia voennaia," in *SVE*, vol. 7 (Moscow: Voenizdat, 1979); *Vsegda v gotovnosti k zashchite otechestva* (Moscow: Voenizdat, 1982), p. 58; "Na strazhe mirnogo truda," *Kommunist*, no. 10 (July, 1981), p. 85; and *Izvestia*, September 23, 1983.

Whatever the Soviet leadership's real attitudes, the new consensus on mutual vulnerability has had a minimal impact on Soviet weapon developments. But there has been no discernible effect on targeting philosophy. As noted below, an important trend in Soviet strategic force modernization is the growing emphasis on survivability. However, Soviet targeting priorities remain oriented toward counterforce missions, suggesting a sustained belief in the virtues of damage limitation.

NUCLEAR FORCE MODERNIZATION

During the late 1970's and early 1980's, Soviet strategic and intermediate-range nuclear forces experienced a far-reaching modernization, which resulted in significant improvements in the survivability and lethality of Soviet capabilities.⁴ New developments are still under way, but on a somewhat smaller scale. With respect to intercontinental ballistic missiles (ICBM's), both the SS-18 and SS-19 forces have been upgraded with new warheads and guidance systems. The Pentagon reported in 1984 that the SS-18 and SS-19 ICBM's have accuracies equal to or better than the United States Minuteman III ICBM. In 1983, the Soviet Union also began testing a new single-warhead missile, the SS-X-25, and continued to test a large, multi-warhead ICBM, the SS-X-24. Both these "fifth generation" solid-fuel ICBM's are likely to be mobile and silo-based, reflecting the increased Soviet emphasis on survivable systems. Deployment is expected in the mid-to-late-1980's.

Modernization is also proceeding in the Soviet strategic submarine and bomber forces. The Soviet fleet of ballistic missile submarines (SSBN's) recently received its first new Typhoon class SSBN and another will soon be ready for sea trials. Although two-thirds of the Soviet SSBN's are already able to patrol in waters close to Soviet territory, the Typhoon can also operate under the Arctic Ocean ice cap, which provides further protection from NATO antisubmarine warfare operations. Additionally, the U.S.S.R. is converting some of the Yankee class SSBN's it recently retired in accordance with the SALT I agreement to attack or cruise missile submarines.

By comparison, the Soviet strategic bomber force is still developing slowly. At present, the U.S.S.R. is flight-testing its long-awaited new bomber, the Black-jack, which is expected to replace the obsolete force of

Bears and Bisons. Finally, at the theater nuclear level, the deployment of mobile SS-20 intermediate-range missiles (IRBM's) is continuing, with the total now reaching roughly 360 launchers. Similarly, the Tu-26 Backfire bomber is being produced at a rate of about 20 per year.

With respect to force sizing, since the mid-1970's and particularly since 1977, Soviet military doctrine has explicitly rejected superiority as the goal of Soviet policy. In part, this official posture reflects a political calculation by Soviet leaders that continued adherence to the notion of superiority was likely to provoke a heightened arms competition that might well leave the Soviet Union in an incomparably worse position.

Moscow's endorsement of parity, or strategic equilibrium, in place of superiority, does not by itself appear to have had an appreciable impact on Soviet defense programs. Unless aligned with SALT limitations, there is no discernible yardstick for measuring strategic sufficiency. Furthermore, Soviet leaders conceive of parity as a dynamic process and frequently insist that their new defense programs are essential to prevent the United States and its allies from achieving superiority over the Soviet Union.

The new emphasis on survivable nuclear forces is undoubtedly related to changes under way in the Soviet command structure. Given Ogarkov's indirect reference to Soviet strategic forces as a coherent entity (now repeated by Defense Minister Dmitri Ustinov and other military authorities), one important new development appears to be the creation of a unified strategic command. Further evidence is added by the designation in 1978 of Admiral Nikolai Amel'ko as deputy chief of the General Staff. This appointment signals the navy's formal integration into the General Staff.⁵ In addition, there is some evidence to suggest that the Long-Range Aviation Command has been abolished.⁶ Soviet strategic bombers now appear to constitute one leg of a Soviet "triad."

The General Staff would play a pivotal role in such a strategic command since it is responsible for operational control over Soviet strategic forces. In wartime, the General Staff would be subordinate to the STAVKA (Headquarters) of the Supreme High Command. The STAVKA is thought to be composed of top civilian and military leaders, with the General Secretary and chairman of the Defense Council, Konstantin Chernenko, serving as Commander-in-Chief.

Alongside this centralization of the command structure, the Soviet Union has steadily improved its launch detection and early warning capabilities as well as the survivability of command, control and communications (C³) systems. Soviet strategic forces routinely conduct a variety of command and control (C²) exercises and also practice launching weapons under stringent time constraints.⁷ During the past two years, Defense Minister Ustinov and other top military

⁴References to Soviet capabilities are drawn from the following sources: *The Military Balance 1983-1984* (London: International Institute for Strategic Studies [IISS], 1983); *Soviet Military Power* (Washington, D.C.: U.S. Government Printing Office, 1984); and *Strategic Survey, 1983-1984* (London: IISS, 1984).

⁵United States Central Intelligence Agency, *Directory of USSR Ministry of Defense and Armed Forces Officials* (May, 1982).

⁶Alfred L. Monks, "Air Forces (VVS)," in David R. Jones, ed., *Soviet Armed Forces Review Annual*, vol. 7 (1982-1983) (Gulf Breeze, Flor.: Academic International, 1984), pp. 176-181.

⁷*Soviet Military Power*, p. 20.

officials have stressed that the deterioration of the international situation, coupled with the deployment of NATO intermediate-range nuclear forces (INF), are making higher demands on the combat readiness and C² structure of the Soviet armed forces.

It is unclear whether the command reshuffling and emphasis on operational readiness represent a stake in improving the Soviet Union's capability to carry out a retaliatory nuclear strike. Judging from Soviet capabilities and exercises, they could also reflect a long-standing interest in preparing for a wide range of contingencies from preemption to launch-under-attack. Ogarkov claims that "launches of modern ICBM's are automated." Yet he does not say explicitly whether Soviet nuclear forces would be launched on warning or when under attack. Both Ustinov and Ogarkov have recently stated that Soviet military doctrine does not provide for preemptive nuclear strikes [*uprezhdaushchie udary*], but whether such declarations reflect an actual shift in Soviet military doctrine remains a mystery. Given traditional proclivities and an enduring stress on damage limitation, it is unlikely that the Soviet leadership has completely ruled out preemption as a contingency option.

In another context, Ustinov mentions that the Soviet Union is establishing a stricter C² network and more rigid controls to guard against the unsanctioned launch of nuclear weapons. In all probability, this move is connected with Brezhnev's declaration in June, 1982, that the Soviet Union would not employ nuclear weapons first in a conflict. Both developments betray a deep Soviet concern with the problem of avoiding nuclear escalation in the event of hostilities. But despite the recent de-emphasis on preemption, it is clear that Soviet leaders have not fully come to terms with the fact that an offensive strategy oriented toward preemption and escalation avoidance is inconsistent. In a sense, the Soviet Union seems to be caught between two divergent approaches: one holds out lingering aspirations for invulnerability and continues to press for preemptive options and strategic defense as a means of limiting damage. The other recognizes the elusive nature of these aspirations and the need to promote deterrence.

One sign that the latter approach may be in the ascendency is the current shift in doctrine toward emphasizing conventional operations. Two underlying assumptions account for this: first, that a future war is likely to be fought with conventional weapons and, second, that strategic objectives are achievable with the use of conven-

tional means. That the General Staff is promoting this shift in doctrine is evident from Ogarkov's recent writings and a major reorganization of the defense establishment.

According to Ogarkov, the way to achieve Soviet strategic objectives in this new context is to reorient the planning of strategic operations away from the concept of the front and toward the framework of theaters of operations [*teatry voennykh deistvii* or TVD].⁸ These organizational units are larger than fronts and incorporate both military districts and "strategic sectors." Six principal continental TVD's appear to be in existence: Western; Northwestern; Southwestern; Middle Eastern; Central Asian; and Far Eastern. To strengthen links with the General Staff, intermediate commands have been established for the most important TVD's. For example, in 1980 Army General Vladimir Govorov was appointed commander-in-chief of Soviet forces in the Far East. He replaced General Vasili Petrov (1978-1980), who was subsequently appointed commander-in-chief of the Ground Forces and promoted to marshal in 1983.⁹

REORGANIZING THE DEFENSE ESTABLISHMENT

Another facet of this reorientation has been the restructuring of the Soviet air force and air defense organization, which began in the late 1970's.¹⁰ Soviet Frontal Aviation (tactical air) divisions are now allocated to the newly created "Air Forces of the Military District" and are no longer grouped in air armies along with strategic bombers. The new military district air forces include air defense interceptor regiments, which were originally subordinated to the "Troops of National Air Defense" [*Voiska PVO Strany*]. PVO Strany has been restructured and renamed "Troops of Air Defense" [*Voiska PVO*]. This new body incorporates all ground-based strategic and tactical air defense assets. The surface-to-air missile (SAM) forces are allocated to the air defense forces of the military districts. Thus, each of the 16 Soviet military districts now has both air force and air defense commands. Moreover within each district, there is a division between PVO ground-based air defense and PVO interceptors (which are now grouped with tactical air forces). The significance of this restructuring is twofold. First, the reformulated role of the military districts allows them to be integrated into the TVD structure more naturally, thereby providing a more streamlined command and control system. Second, the reorganization of the Soviet air force permits greater flexibility in the use of air assets for both offensive and defensive missions.

Besides these new developments in the Soviet air force and PVO there have been other changes. Among the more important are the expansion and restructuring of artillery troops and a series of personnel changes, includ-

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⁸Ogarkov, *Kommunist*, pp. 80-91 and *Vsegda v gotovnosti k zashchite otechestva*, chapter 2.

⁹CIA, *Directory of USSR Ministry of Defense and Armed Forces Officials*.

¹⁰*Soviet Military Power*, pp. 54-57; and Tommy L. Whitton, "The Changing Role of Air Power in Soviet Combined Arms Doctrine" (Paper presented at the 14th annual convention of the American Association for the Advancement of Slavic Studies, October 15, 1982).

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BOOK REVIEWS

ON THE SOVIET UNION

THE THREAT: INSIDE THE SOVIET MILITARY MACHINE. *By Andrew Cockburn.* (New York: Random House, 1983. 338 pages, notes and index, \$16.95.)

The core of Cockburn's argument is that the military establishments in the Soviet Union and the United States adopt a mirror image of each other's military strength. Cockburn convincingly argues that the perception of the Soviet Union as a military monolith is a case of "threat inflation" on the part of the United States. Using interviews with recent émigrés, he provides new information on the morale and discipline of the average Soviet soldier. The rest of the book details the flaws and problems that plague Soviet weapons.

W.W.F.

THE RUSSIANS AND REAGAN. *By Strobe Talbott.* (New York: Vintage Books, 1984. 140 pages and appendices, \$4.95.)

Talbott, the diplomatic correspondent for *Time* magazine, provides a balanced, well-written review of the deterioration of relations between the United States and the Soviet Union. He rejects the simplistic arguments by each country that the other side "caused" the deterioration. Especially valuable are the collection of speeches by Presidents Reagan and Andropov in the appendices.

W.W.F.

SOVIET FOREIGN POLICY: THE BREZHNEV YEARS. *By Robin Edmonds.* (New York: Oxford University Press, 1984. 285 pages, notes, maps and index, \$9.95.)

This is a succinct survey of Soviet foreign policy. Edmonds's analysis begins with the 1962 Cuban missile crisis, with a review of the major events that have marked the Soviet Union's emergence as a global superpower.

W.W.F.

THE ANTAGONISTS: A COMPARATIVE ASSESSMENT OF THE SOVIET AND AMERICAN SOLDIER. *By Richard A. Gabriel.* (Westport, Conn.: Greenwood Press, 1984. 208 pages, notes, bibliography and index, \$29.95.)

Gabriel draws on Soviet émigré interviews and publicly available American information for this comparative study. He finds that the "Soviet training system is able to field the better soldier." He also notes that both armies lack cohesion, making a true assessment of the two impossible.

W.W.F.

A DOCUMENTARY HISTORY OF COMMUNISM. VOL. 1, COMMUNISM IN RUSSIA. VOL. 2, COMMUNISM AND THE WORLD. *Edited by*

Robert V. Daniels. (Hanover, N.H.: University Press of New England, 1984. 425 and 448 pages, \$14.95 per volume, paper; \$60.00, cloth.)

This is a revised edition of Daniel's anthology of key documents. There are short introductions to each excerpt; both volumes are useful supplemental reading sources.

W.W.F.

THE SOVIET POLITY IN THE MODERN ERA.

Edited by Erik P. Hoffmann and Robbin F. Laird. (Hawthorne, N.Y.: Aldine Publishing, 1984. 942 pages and notes, \$49.95, cloth; \$24.95, paper.)

The editors have collected the most important published essays and articles on the domestic politics of the Soviet Union. The government, the economy, society, the military and the future of the Soviet Union are among the topics covered.

W.W.F.

THE FACES OF CONTEMPORARY RUSSIAN NATIONALISM. *By John B. Dunlop.* (Princeton: Princeton University Press, 1984. 363 pages, notes, appendices and index, \$32.50.)

While the growth of nationalism among non-Russian people in the U.S.S.R. has been readily noted, the strength and composition of Russian nationalist elements have not been equally studied. Dunlop provides a history of Russian nationalism since the revolution and he surveys the contemporary nationalist movement, pointing out that it is not solely composed of religious nationalists like Aleksandr Solzhenitsyn.

W.W.F.

THE SOVIET UNION: A GEOGRAPHICAL STUDY. 2D EDITION. *By G. Melvyn Howe.* (Plymouth, Eng.: Macdonald and Evans, 1983. 512 pages, appendices, maps and photographs, \$9.95, paper; \$17.50, cloth.)

This is a useful compendium of information on the geography, demography and economy of the Soviet Union. The 18 officially designated economic regions are covered in individual chapters.

W.W.F.

THE SOVIET UNION AND THE MIDDLE EAST IN THE 1980s. *Edited by Mark V. Kauppi and R. Craig Nation.* (Lexington, Mass.: Lexington Books, 1983. 292 pages and index, \$29.95.)

The thirteen essays in this collection represent a high degree of professionalism. The topics have been carefully chosen, and they have been developed in a thoughtful and fresh fashion. The book is a useful addition to the existing literature.

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THE UNITED STATES AND THE SOVIET UNION

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silence on so crucial an issue, but the hiatus also suggested a prolonged reconsideration of relations, leading to a reformulation of policy. The General Secretary's statement on September 29, in which he dismissed the possibility of any upturn in superpower relations, adds weight to this analysis, as do the appearance and content of the 1983 Yakovlev and Arbatov commentaries.

Washington's sharp condemnation of the Kremlin following the destruction of Korean Airlines Flight 007 on September 1, 1983, by units of the Soviet air defense forces, hardened Soviet authorities in their conviction that Soviet-American relations had reached a nadir. Especially telling in this regard must have been President Reagan's pointed characterization of the Soviet leaders as, in effect, barbarians, when he declared that the incident was "inexplicable to civilized people everywhere."

In his last major statement on United States-Soviet relations on January 25, 1984, Andropov expanded on the themes first articulated in his September remarks. He stated unequivocally that the Soviet Union would return to the negotiating table in Geneva only after the dismantling of the new American missiles, a condition he knew in advance was unacceptable to Washington. Of greater significance, he expressed in positive terms—i.e., the Kremlin's continuing interest in a "dialogue" with the Reagan administration—what was in essence a negative message. A dialogue, Andropov declared,

should not be conducted merely for the sake of dialogue. It should be directed at the attainment of specific accords. It should be conducted honestly, and no attempts should be made to use it for opportunistic goals.

From all indications, the American leadership has not renounced its intention to conduct talks with us from a position of strength, from a position of threats and pressure. We resolutely reject such an approach. In general, moreover, attempts to conduct "power diplomacy" with us are futile.¹⁸

Absent from Andropov's remarks were any allusions to "détente" or to the "relaxation of international tensions" as the enduring tendency in international relations, descriptions of world politics long-favored by virtually all Soviet leaders since the late 1960's.

Konstantin Chernenko, who succeeded Andropov as General Secretary of the party four days after the latter's

death on February 9, returned temporarily to the vocabulary of the détente era in his first major address on foreign policy in March, 1984, reflecting perhaps his close personal ties to Brezhnev and to the Brezhnev line in foreign policy. His subsequent remarks on the topic more closely paralleled those of Andropov, underscoring the relative weakness of Chernenko's political position in the Politburo and the strong preference of the leadership for the less conciliatory position associated with Andropov.¹⁹

Since the collapse of the INF negotiations in November, 1983, nothing suggests an imminent departure in either Soviet policy toward the United States or American policy toward the Soviet Union. On balance, the Reagan administration seems satisfied with the direction and the results of its policy, content to adopt the language of conciliation and flexibility without offering any substantive concessions to enable the resumption of either the START (Strategic Arms Reduction Talks) or the INF talks. Soviet leaders, having settled—apparently with some difficulty—on a new and equally rigid course, are unlikely to retreat from their positions with respect to either set of negotiations.

Seeing in the administration's position a coherent strategy to undermine Soviet political legitimacy at home and abroad and to restore American military superiority, the Kremlin has every incentive to portray the Reagan White House as the principal danger to world peace and to turn aside as insincere any offers to discuss superpower differences.

Given the symmetry of their antagonism, it is extremely doubtful that any real movement in Soviet-American relations will occur before the November, 1984, American elections, whatever the atmospherics, such as the scheduled meeting in September between United States and Soviet representatives to review the prospects for an agreement to ban or to limit the testing and deployment of antisatellite weapons. Should the Republican party retain the presidency in 1984, the intense mutual suspicion that now infects the superpower relationship will be difficult to dispel, even assuming, for the moment, that an attempt to improve relations were to be undertaken by either country.

The more likely outcome of President Reagan's reelection will be a deepening of mutual antagonism and a period of intense military and political competition between Moscow and Washington, as each seeks to anticipate and to compensate for the actions of its rival. ■

¹⁸"Yu. V. Andropov's Answers to Questions From Pravda," *Pravda*, January 25, 1984, p. 1, and *Current Digest of the Soviet Press*, vol. 36, no. 4 (February 22, 1984), p. 3.

¹⁹See, for example, "Comrade K. U. Chernenko Meets With Workers of Moscow's Hammer and Sickle Metallurgical Plant," *Pravda*, April 30, 1984, pp. 1-2, and *Current Digest of the Soviet Press*, vol. 36, no. 17 (May 23, 1984), p. 6; and "In An Atmosphere of Unity and Mutual Understanding: Awards Presented," *Pravda*, May 6, 1984, pp. 1-2, and *Current Digest of the Soviet Press*, vol. 36, no. 18 (May 30, 1984), p. 5.

SOVIET INDUSTRY AND TRADE

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that the industries affected by a particular program cooperate with each other. However, the ministries have not been abolished, and so the result is confusion and dispersion of responsibility among many bureaucratic bodies. The ministries are behaving as they always have: resisting cooperation with other ministries, jealousy pro-

tecting their rights, and blocking the implementation of reform decrees that threaten their power. They are more powerful than ever. A Western expert on Soviet reform believes that perpetual reform will probably reduce, rather than improve, efficiency.²⁴

The leadership's approach to reform is criticized by a number of Soviet economists. The paper mentioned at the beginning of this article argues that the eternal optimism of Soviet reformers is not justified because they assume that socialist society is inherently harmonious and ignore the fact that any reform will create winners and losers, who will attempt to block the reform. A second argument is that the existing system of social relations is primitive compared to the development of production, science and technology. The institutions of central planning are not appropriate to the advanced state of production and are holding back economic development. Central planning is no longer feasible and market relationships must be relied on to a greater extent as a guide to decisions. Workers and employees are far better educated and sophisticated than they were in the early days of central planning, and are thus able to respond creatively to a lessening of central controls. Conversely, they no longer respond positively to coercive managerial tactics and petty tutelage. The piecemeal approach to reform reflects a misunderstanding of these complexities. A particular reform may produce positive results, but it invariably results in negative side effects not anticipated by the planners. Another reform must then be introduced to deal with the newly created problems.

Leaders and economists also disagree about investment policy. The leadership believes that the cutbacks in investment, especially new construction, will force more efficient use of capital in place as well as speedier completion of projects. Thus capital productivity will rise at the same time that investment is growing more slowly.²⁵ Some economists believe that more, rather than less, investment is needed to make the transition to intensive growth. Part of their argument is that much plant and equipment is old and obsolete and needs to be replaced

with equipment embodying new technology. In addition, reduced investment in sectors providing key industrial materials creates serious bottlenecks elsewhere in the economy.²⁶ Possibly in response to these arguments, Gosplan is apparently considering a sharp increase in investment growth rates in the twelfth five year plan (1986–1990).²⁷

THE 1984 REFORM

The piecemeal approach continues with the latest reform, a series of experiments loosening central control in five ministries. It emphasizes more participation by lower levels in plan formation, limiting the number of plan indicators in the five year plans of enterprises, stable norms for input use, 100 percent fulfillment of contracts as a prerequisite for the payment of bonuses, stable norms for determining the size of enterprise bonus, housing and investment funds, and fewer restrictions on the use of these funds. Thus enterprises will have more freedom in determining financial rewards for workers, introducing new technology and reinvesting profits. The requirements governing bonuses for enterprise managers are still extremely complex. There is no additional role for market forces: performance will continue to be evaluated bureaucratically.²⁸ Thus one cannot be optimistic about the probable impact of this reform on the economy's performance.

The reform provisions have no economic content. An example is the determination of wage and bonus funds. Each enterprise's wage fund rises or falls by a predetermined amount for each percentage point of growth or reduction in output (calculated as value added). Further, each enterprise's annual plan for the growth of labor productivity must be equal to or greater than the average over the previous five years. It does not seem to have occurred to the reformers that it might be rational for some enterprises to substitute capital or raw materials for labor and that therefore they might not need larger wage funds; and for others to substitute labor for other inputs, in which case larger than average increases in the wage fund would be needed. Furthermore, because of differences in labor intensity and other factors, enterprises differ greatly in their ability to improve labor productivity. An enterprise-introducing mechanization might be able to improve labor productivity far faster than it did in the past. Another enterprise that is retraining its workers on the job might rationally choose not to increase labor productivity at all in a particular year.

Bonus funds depend on cost reductions. But it is not necessarily rational for all enterprises to strive for maximum cost reductions in a given year. Furthermore, these provisions preserve the short-run orientation of the factory manager.²⁹

In spite of past resistance to reform, ministries are in charge of implementing the latest reform. Some did not move especially quickly to meet the deadline for implementation, January 1, 1984. Furthermore there are criticisms that the ministries' work style has not changed.³⁰

²⁴*Ibid.*, p. 66.

²⁵Denton, *op. cit.*, p. 41.

²⁶Robert Leggett, "Soviet Investment Policy in the 11th Five-Year Plan," in *Soviet Economy in the 1980's: Problems and Prospects*, Part 1, p. 145.

²⁷Myron Rush, "The Soviet Policy Favoring Arms Over Investment Since 1975," in *Soviet Economy in the 1980's: Problems and Prospects*, Part 1, p. 330.

²⁸"In the CPSU Central Committee and the USSR Council of Ministers—On Additional Measures to Expand the Rights of Production Associations (Enterprises) in Industry in Planning and Economic Activity and to Increase their Responsibility for Work Results," *Current Digest of the Soviet Press*, vol. 35, no. 30 (August 24, 1983), pp. 1–3, 10.

²⁹"The Director's Rostrum: The Economic Experiment and the Responsibility of Personnel," *Current Digest of the Soviet Press*, vol. 36, no. 4 (February 22, 1984), pp. 7–8.

³⁰"In the Politburo of the CPSU Central Committee," *Current Digest of the Soviet Press*, vol. 35, no. 49 (January 4, 1984), pp. 24–25.

It is naive to expect that the caretakers who have been in power in the Kremlin since the death of Brezhnev will introduce significant changes in the management of the economy. Because of their advanced age these individuals do not have the clout to introduce a reform and make it stick. Bureaucrats at all levels have too many vested interests in the current system; the economy is in trouble but the establishment is doing very well. If a younger group gains power after Communist party General Secretary and President Konstantin Chernenko passes from the scene, we may expect more serious efforts to reform the economy.

There is some evidence that the Soviets are trying to turn inward, developing technology on their own and working more closely with their Communist allies. This can only be self-defeating in the long run; the scientific-technical revolution to which the Soviet leaders pay homage cannot be introduced into the Soviet economy without full participation in international commerce. This would require, however, that the leadership loosen its reins on the economy, something it has so far been unwilling to do. ■

SOVIET AGRICULTURE

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about 33 million hectares. This is about the same hectare figure as 1979, despite some new irrigation and draining activities in the meantime. Just over half the total was irrigated, as was also true in 1960, when these improved areas totaled about 20 million hectares. Now we are told that these 33 million hectares produce one-third of all the crops in the Soviet Union, including all the cotton and rice, three-fourths of all the vegetables, half the fruits and wine grapes, one-fourth the feed crops, and a good deal of grain.¹³

This one-third of all crops that come from irrigated and drained lands must be much less subject to variation than the crops coming from the remaining 192 million hectares of cropland. Clearly, the production coming from such improved lands has increased faster than general crop output, and the nonimproved lands must have increased their yields even more slowly, and with wider swings, than the total. The stability of irrigated crop yields is borne out by cotton, the only major crop that is right on target according to the plans. Those western areas that need drainage are also known to be less drought-prone than most of the country. Large parts of the country probably suffer from even worse problems. Characteristically, the news blackout on agriculture also includes much less news about specific areas.

¹³M. S. Gorbachev, *Ekonomicheskaya gazeta*, no. 14 (April, 1984), pp. 4–5, and the report by N. F. Vasil'ev, minister of melioration and water husbandry in the USSR, in *Ekonomicheskaya gazeta*, no. 21 (May, 1984).

¹⁴G. B. Carter, "Is Biotechnology Feeding the Russians?" *New Scientist*, April 23, 1981, pp. 216–218.

¹⁵*Ekonomicheskaya gazeta*, no. 51 (December, 1983).

If we conclude that the drought problem is more serious than it was in earlier years, there are three possible explanations. One, this could be just a set of freak events, for which the government accepts no blame. Second, the Soviet Union could be witnessing the beginning impact of environmental deterioration caused or accelerated by intensive industrialization and consequent air pollution, which could affect climate. Or, third, there could be some effect from the regulation of the Volga River flow, which is causing the Caspian Sea to shrink and the surrounding areas to become drier. This process was started by the great engineering works begun in Stalin's time, and includes the Tsimplinskaya Lake, adjacent irrigation works, and the Volga–Don Canal, which takes Volga water into the Black Sea.

Negative effects on the Caspian Sea and surrounding areas were predicted but were not always taken seriously. These areas—in the eastern Ukraine, southeastern Russia and western Kazakhstan—include some of the important areas for wheat, barley and oats production. This would explain the decline in wheat production and the continuing difficulties with barley and oats. The "great Communist transformation of nature," as the Volga project was titled, may finally be catching up with Soviet agriculture.

FACTORY-MADE FEED—A NEW SOLUTION?

The regime may have at least one new resource. The purpose of much of the grain production (and imports) is to boost meat production. But there could be other ways of accomplishing this. The land-use statistics show some modest transfer of land from grain crops to fodder production (hay), and there is some work going on to improve the utilization of hay and other roughage feed. Such a switch from conventional concentrate feeds to more roughage requires some compensation in the form of feed protein from other sources.

One such source is imported grain. Another may be microbiological protein. This source was discussed a couple of years ago, in an article that pointed to a possible level of one-million tons of single-cell proteins in the Soviet Union in the late 1970's.¹⁴ The writer was not far wrong: a recent Soviet release claims the production of 923,000 metric tons of microbiological protein in 1980, 1.140 million tons in 1982, and a target of 1.880 million tons for 1985.¹⁵ This is still a minor contribution to solving the feed-protein problem in the Soviet Union. Western experts may object that this kind of feed protein is not yet economical in a market economy. Such concerns have not bothered the Soviet authorities before and in their situation even a conventionally expensive source may be no more expensive than what they already have. They may reason that every bit helps and that the present and projected quantities could help soften the impact of disappointing grain harvests. Moreover, expansion would suit the Soviet system very well: since single-cell proteins (SCP's, or microbiological protein) are factory products,

they are not dependent on the weather.

It is still not clear why the Soviet regime has chosen to pursue its agricultural policy under increasing secrecy. It may want to avoid being blamed for factors it could not help, like the weather. It may also want to keep some of its new ventures out of the glare of publicity, to avoid the blame for failures in mistaken policy departures. The apparent unwillingness to reform the unwieldy structure of Soviet agricultural production is also easier to continue with a minimum of public debate.

But the penalties for secrecy are many and obvious. A major industrial country that tells so little about its most lagging economic sector is sure to lose some of the international prestige which otherwise plays such a prominent role in international power play. In international trade, the Soviet Union's own quest for secure supply sources for its food imports would seem to require Soviet leaders to be franker about the size of their plan for their continued food imports.

It is also not clear how far their own internal planning can continue without adequate data. Now, as in the 1950's, one meets here and there (in a research article) a phrase such as "what data have been available to me." When Soviet experts are so often groping for lack of information, foreign observers must be excused for using some conjecture. ■

THE SOVIET OLIGARCHS

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was removed for political reasons, while three members died in office.¹² But during this same period the Soviet Union witnessed a purge of officials the likes of which it had not seen for more than two decades. In a mere 15 months more high-ranking officials were removed from office than in the course of Brezhnev's last five years in power. Two categories of officials made especially inviting targets for Andropov: provincial party secretaries and ministers. In a very short period of time, 33 of the 157

¹²Politburo member Andrei Kirilenko was retired in November, 1982, for reasons of health; however, the signs of his impending fall were visible months before, raising questions as to whether his retirement was voluntary. Given Kirilenko's age (76) and his absence from public view for months before his retirement, it seems safe to assume that illness was involved in the decision.

¹³Among the officials removed from power under Andropov who were closely associated with either Brezhnev or Chernenko were the following: Nikolai Shchelokov (minister of internal affairs), Georgi Pavlov (administrator of affairs of the Central Committee apparatus), and Ignati Novikov, chairman of the State Commission for Construction Affairs (Gosstrol) and deputy chairman of the Council of Ministers; all had attended college with Brezhnev in the 1930's. Also removed were Aleksei Smirnov, the head of the Central Union of Consumer Cooperatives and the Komsomol (Communist Youth League) secretary under Brezhnev in Dnepropetrovsk in the late 1940's, and Sergei Trapeznikov, the head of the Central Committee department for science and educational institutions, who had worked in the 1950's with both Brezhnev and Chernenko in Moldavia.

provincial party secretaries in the country and 20 of the 86 ministers and chairmen of state committees in the central government were changed. Of the 309 full members of the Central Committee who were alive in November, 1982, 41 were retired or demoted under Andropov. Given this rate of turnover, had Andropov lived another four years and continued along the same path, a turnover rate of nearly two-thirds in the party Central Committee would have resulted—a pace that would have rivalled the change that occurred under Khrushchev. In other words, Andropov was attempting to redraw the lines of Brezhnev's social contract to include the political leadership, but to exclude the political and administrative elite.

The purge of 1983–1984 differed from the previous purges that swept through the ranks of the Soviet elite. Whereas purges usually aimed at the consolidation of a system of personal power within the leadership, the primary purpose of Andropov's purge was to shake the country out of administrative torpor. Lacking more subtle incentives to effect change, Andropov turned to the only instrument of power which, though long in disuse, might bring results. At the November, 1982, plenum he lashed out at executives in the railroad, ferrous metals and construction industries for their poor performance, and in a vaguely worded threat to the rest of the administrative elite, hinted that "it is necessary to think over what kind of aid should be rendered" to "certain comrades" who "simply do not know how to get down to work" and who act out of "the force of inertia and habit."

Shortly afterward both the minister of railroads and the minister of rural construction were sacked, and an extensive purge began to sweep through the ranks of the Council of Ministers. Indicative of the changes that Andropov was attempting to initiate in the sphere of personnel policy, in April, 1983, Ivan Kapitonov, the man who had administered party appointments for 17 years under Brezhnev, was transferred from the leadership of the strategic Central Committee Department for Organizational-Party Work; Yegor Ligachev, longtime secretary of the Tomsk provincial party committee, was chosen to take his place. Ligachev has long been a proponent of greater law, order and discipline.

Despite some support in the leadership for his attempts to redefine Brezhnev's social contract, some members of the leadership apparently feared that Andropov's purge would be directed primarily against their own protégés. In nominating Andropov in November, 1982, Konstantin Chernenko described his rival as a man worthy of the Central Committee's trust because he had "assimilated the Brezhnevian style of work" and the "Brezhnevian attitude towards cadres." Chernenko's hopes on this score soon proved wrong, however, as party and government officials closely associated with him and his mentor, Brezhnev, came under attack.¹³ By April, 1983, there were reports that some officials, frightened by Andropov's assaults, were beginning to rally around Chernenko for protection. In any case, a very large number of officials

who found themselves under attack in the press for mismanagement somehow managed to survive, probably because they received timely support from above.

By August, 1983, the groundwork had been laid for a major purge of the regional party apparatus, and the party bureaucracy was told that in an upcoming party election campaign planned for December they should "pay special attention to those sections [of the apparatus] in which the tasks of the five-year plan are not being fulfilled."¹⁴ The purge was in fact carried out, but neither Andropov's health nor his political power were strong enough to take advantage of it. In late August, the 70-year-old leader fell ill, and he was confined to the hospital for much of the rest of his life.

Had Andropov lived longer, perhaps he would have eventually succeeded in building a personal system of power. But even had he done so, the opposition he encountered and his inability to manipulate the openings created by those officials he removed call attention to the problems that any successor might encounter in trying to initiate a program of change. When he became General Secretary, Konstantin Chernenko struck a more moderate tone in personnel policy, criticizing equally both "ossification" and "too frequent a turnover" in party appointments. But the record of his administration so far indicates a marked reduction in the number of high-level replacements.¹⁵ Indeed, Chernenko has truly mastered the "Brezhnevian style."

"CONTINUITY IS A REAL LIVE CAUSE"

The selection of the 72-year-old Konstantin Chernenko as General Secretary, the oldest man to ever be elected to that post and the man most closely associated with Leonid Brezhnev, demonstrates that among the ruling oligarchs of the Soviet system there are few who are willing to take the necessary risks to mend the sagging

social and economic system. When he was chosen, Chernenko mentioned "the difficulties which our country encountered at the end of the 1970's and the beginning of the 1980's." Yet the solutions he has outlined and the policies he has pursued indicate that no major changes will be forthcoming. The go-slow, cautious mentality that Chernenko has reintroduced into the Soviet leadership was reflected in his election speech reiteration of the well-worn Russian proverb: "Seven times measure, one time cut." To convey this spirit of conservatism to the Central Committee that confirmed his selection, Chernenko declared that "continuity is not an abstract concept, but a real live cause."¹⁶

Under Chernenko, economic reform has slipped still further down the list of priorities, and the frontal attacks on mismanagement and corruption in the bureaucracy, so common under Andropov, have grown rarer. Chernenko has announced that his major method of improving the operation of the economy will be to cut back on staffs, to delineate more clearly the responsibilities of the party and state apparatuses in the economy, and to improve the responsiveness of the bureaucracy to citizen demands. Each of these issues has been the subject of party campaigns in the past, though such campaigns have rarely been effective in practice.¹⁷

There has been no improvement in the human rights situation under Chernenko; on the contrary, some prominent KGB officials have received promotions and honors for their efforts to instill Soviet-style law and order.¹⁸ Moreover, in the past six months a general crackdown on ideological deviations in the arts has been stepped up, leading to the defection of famed Soviet theater director Yuri Liubimov and the closing of Moscow's Taganka Theater. New laws have been passed intended to buffer an already isolated Soviet population from the outside world, and a campaign has been initiated to inculcate military skills and patriotic values among the young.

Chernenko has been content to rule collectively with the senior oligarchs of the party, in particular, Defense Minister Dmitri Ustinov, Foreign Minister Andrei Gromyko, and Moscow city party chief Viktor Grishin. When West German officials visited Moscow in May, 1984, they came away with the clear impression that Chernenko's hold over the foreign policymaking process was weak, and that a new assertive role was being played by Soviet Foreign Minister Andrei Gromyko. That same month, Gromyko's rising status in the Kremlin was indicated when his wife appeared alongside Chernenko's wife at a reception for King Juan Carlos and Queen Sofia of Spain. At that very same meeting it was reported that Chernenko, who suffers from emphysema, was so ill that he had to be helped to walk during the welcoming ceremonies. As one German official who visited the Kremlin at the time observed upon his return: "I had the feeling I was living through the last phase of Brezhnev."

It is too early to assess the impact of Chernenko's rule upon the serious social and economic problems facing the

¹⁴*Pravda*, August 14, 1983.

¹⁵In the first four months of Chernenko's rule, five ministers and three provincial party secretaries were replaced. In several of these cases some connection with Andropov is discernible; witness Supreme Court chairman L. N. Smirnov, who was promoted to his post while Andropov headed the KGB, and I. I. Sen'kin, party boss of the Karelian provincial party committee, a region closely connected with Andropov's career.

¹⁶*Pravda*, February 14, 1984.

¹⁷In 1983 there were three million more managerial employees in the Soviet Union than there were in 1975. This enormous growth in the bureaucracy took place, as one recent *Izvestia* article pointed out, even though over the course of those eight years constant cuts were made throughout the apparatus. Had the government actually conducted all its planned staff reductions without hiring additional managers, the Soviet bureaucracy would have long ago diminished in size. *Izvestia*, May 13, 1984.

¹⁸In April, 1984, KGB Chairman Viktor Chebrikov was awarded the title of marshal of the Soviet Union, the first time since Stalin that the head of the secret police was given such a high military rank. That same month, the head of the Latvian KGB was promoted to be first secretary of the Latvian Communist party.

Kremlin. But from the evidence already coming in, the impact will probably be minor. The United States Department of Agriculture has estimated that the Soviet grain crop will be about 180 million tons in 1984, considerably below the 1983 level of 200 million tons, even further below the planned government target of 240 million tons, and the sixth poor Soviet harvest in a row. Some Soviet leaders indicate that the Politburo may have already written off much of the present five-year plan as a recuperation period and has begun to pin its economic hopes on the next planning period.

GENERATIONAL CHANGE

Given Chernenko's age and his health, it seems safe to assume that in the not-too-distant future the Soviet Union will experience yet another leadership succession. And sooner or later, whether they like it or not, the older generation of leaders who have dominated the Kremlin will have to pass the baton to a younger group.

Over the past two years, the issue of generational change has come to dominate the attention of the men in the Kremlin. In August, 1983, Andropov, along with five of the youngest members of the leadership, held an unusual meeting with party veterans, the purpose of which was, in Andropov's words, to discuss how better "to use the experience of the older generation for solving the concrete tasks of our times, tasks which in many ways are new and are in a new way complex."¹⁹ Although Andropov argued that "in our society there is no conflict between generations," he went on to admit that "this does not mean that everything goes smoothly." Some veterans, he said, had characterized the younger generation as worse than the older generation, and some younger comrades had been inclined to blame all the current ills of society on their fathers.

The meeting appeared to be an attempt to establish dialogue between the two groups and to ensure the older generation that the values and ideals for which they had fought would not be abandoned. Ironically, it was Andropov's program of change that sharpened generational conflict; his calls for discipline and economic decentralization received a somewhat more sympathetic hearing among the younger generation, and his frequent use of the personnel weapon helped promote a large number of younger cadres to positions of national importance.²⁰

The faint outlines of the generational turnover that is about to occur are now becoming clear, as members of the younger generation who will be best positioned to exercise power when their turn comes move into the Politburo. They comprise a rather motley group. Mikhail

Gorbachev (53 years old), considered by many to be the rising star in the Kremlin, is the youngest and best educated member of the Politburo. Although the country's agricultural system has not fared well under his guidance, Gorbachev has managed to deflect criticism for its failures from his person. He is said to have been a major supporter of Andropov's efforts to introduce both economic decentralization and greater discipline in the bureaucracy. Grigori Romanov (61 years old) has consistently argued in favor of greater wage differentiation in the economy and was a key sponsor of the economic experiments begun this past January. But it is also said that Romanov harbors strong anti-Semitic sentiments, and in the 13 years during which he ruled over the Leningrad party organization, a reign of terror was unleashed against the dissident community in that city. Vitali Vorotnikov (58 years old), who served as Soviet ambassador to Cuba before being recalled from that post to purge the Krasnodar party organization of corrupt Brezhnev supporters, rose quickly in the past year to full membership in the Politburo as a result of Andropov's support. And Geidar Aliev (61 years old), a thoroughly Russified Azeri who made his career in the secret police, engaged in a massive purge of his native union republic before winning a top post in the government in Moscow.

These men represent the future of the Soviet state. From their backgrounds it seems unlikely that, once firmly in power, they will dismantle entirely the system of repression and administrative centralization that pushed them into national prominence. During their long climbs through the maze of the Soviet bureaucracy, they were consciously selected and groomed by their elders because they steadfastly and loyally implemented the policies of their superiors. Undoubtedly, some of them may try to initiate moderate reforms. But given the history of the last two Soviet successions, even moderate reforms will probably meet strong obstacles, not only from members of the younger generation who may oppose change, but also from the very structure of political power.

Not since the death of Stalin has the Soviet system been in greater need of effective leadership. And yet today, after years of half-measures to deal with the country's problems and after a procession of ill, inept or impotent leaders, the authority of the office of General Secretary has seriously deteriorated. Under Brezhnev, Andropov and Chernenko the powers of the General Secretary were dispersed; the machinery of government was able to run for months while the General Secretary lay ill and dying. Over the past two years, there has been greater turnover in the post of General Secretary than there has been in the post of adviser to the General Secretary.

A younger man may have more time to repair this damage and to persuade his colleagues of the need for change. But, like Andropov and Chernenko, he will find it extraordinarily difficult either to convince his colleagues in the Politburo that such change is in their interests or to build the type of personal power that might allow him to

¹⁹*Pravda*, August 16, 1983.

²⁰The average age of 34 full members of the Central Committee who were retired during Andropov's tenure and for whom such information is available is 71.5. The average age for 21 of the men who took their places and for whom such information is available is 51.8. Given this disparity, it is not surprising that under Andropov the older generation began to worry about its hold over power.

initiate change over their heads. Like Andropov and Chernenko, a younger man will probably discover that government by consensus means that proposals for reform will inevitably be watered down, and those which are adopted must be able to travel the rocky road of the Soviet bureaucracy. Such is the nature of leadership in a system in which a small group of men have jointly appropriated political power for life, and in which any significant reforms would most likely affect the control of the very group that is being asked to embrace them. Such is the nature of political power in an age of oligarchs. ■

THE SOVIET LABOR FORCE

(Continued from page 330)

skaia Rossia poll indicates, many of those who will be attending vocational-technical schools will be doing so unenthusiastically. It is hard to believe that, after completing the eleventh grade and joining the labor force, they will discharge their work obligations in anything but a perfunctory manner.

(2) *Persuading people of pension age not to stop working.* At the present time, some 36.9 million men and women in the Soviet Union are old-age pensioners.¹⁷ Seven years ago, when the figure was "only" 30 million, the editors of *Sovetskaia kul'tura* pointed out that this many people was "enough to populate an entire country!" Furthermore, according to Soviet projections, the number of persons of pension age (60 for men; 55 for women) will rise to 50 million by 1990 and to 80 million by the end of the century.¹⁸ From the government's point of view, it would be vastly preferable if these people could produce goods and provide services rather than consume goods and services.

Current policy dictates that all pensioners who are physically and mentally competent must play an active role in the labor force. Government and academic figures alike argue that this is in the economic interest of the state and, at the same time, is beneficial to the workers themselves. (There is, in fact, considerable evidence that work promotes their physical well-being, makes them feel useful and needed, and provides them with additional income.)¹⁹ This is especially true for individuals who have just reached retirement age, that is, those whom Western gerontologists refer to as the "young-old." In the Soviet Union, as elsewhere, the older one gets, the less able and less inclined one is to remain in the labor force.

Today, more than nine million men and women who

have reached retirement age—25 percent of the relevant population—are still working, and the proportion has been increasing steadily. In the larger industrial cities, whose populations tend to be a good deal older than the national average, the rate of increase has been especially high. Thus, between 1964 and 1974, the proportion of pensioners engaged in "socially useful labor" in the city of Leningrad quintupled, reaching a level of 27 percent by the beginning of 1974. In recent years, approximately 60 percent of all persons reaching retirement age have chosen to work, rather than to retire.

There is considerable variety in the financial arrangements made for people who continue to work after reaching the age of retirement. Those engaged in some occupations receive their regular wages while accruing benefits they will receive only when they actually retire. For every year such a person stays on the job, the pension he or she ultimately receives will be raised by 10 percent. More often, individuals are permitted to receive their regular wages in addition to a large portion (50–100 percent) of their pensions. But there is frequently a disparity between the kinds of jobs pensioners would like to have and the kinds they actually get. For example, fully one-third of all employed pensioners work as guards or watchmen—sedentary and boring jobs that are hardly in keeping with the promise that continuing to work will have "a beneficial effect on their health . . . [and] will prevent premature aging."²⁰ Not surprisingly, there is much dissatisfaction among such persons.

Furthermore, virtually all pensioners who want to continue working after "retirement" have to take full-time jobs, either staying on at their regular place of employment or seeking a position elsewhere. Very few have the opportunity to work part-time, a few hours a day or a few days a week, and this has led to considerable frustration. Moscow researchers found in the mid-1970's that fully 86 percent of all working pensioners in that city had to put in a full day, even though 58 percent of the sample expressed a desire to work part-time.²¹ Some effort has been made to provide part-time (including at-home) employment, but the demand for such positions continues to exceed the supply.

When asked why they are continuing to work, most pensioners cite financial need, but almost as many say they want to maintain ties with their fellow workers, or do something useful with their lives. (Their reasons vary with their financial status: the higher the per capita income of their family, the less important money is.)²² In the future, financial considerations will probably play an even greater role in the work-retirement decision. Pension levels are inadequate today, and they are becoming more and more inadequate.²³

(3) *Rewarding workers who are conscientious and punishing those who violate labor discipline.* Ever since Stalin's denunciation of "rotten bourgeois egalitarianism" in the 1930's, Soviet planners have made use of a highly stratified reward structure. Individuals with more education and

¹⁷ *Argumenty i fakty*, March 20, 1984, p. 4.

¹⁸ A. Z. Maikov and A. G. Novitski, eds., *Problemy nepolnogo rabochego vremeni i zaniatnost' naseleniia* (Moscow, 1975), p. 50; V. P. Belov, ed., *Trudospособnost' pensionerov po starosti, voprosy stimulirovaniia i organizatsii ikh truda* (Moscow, 1975), p. 141.

¹⁹ This theme is elaborated in almost every issue of the leading Soviet periodical on social security, *Sotsial'noe obespecheniie*.

²⁰ Maikov and Novitski, *op. cit.*, p. 52.

²¹ *Sotsiologicheskie issledovaniia*, no. 1 (1976), p. 110.

²² Belov, *op. cit.*, p. 9.

²³ *EKO*, no. 5 (1978), p. 29.

skill, who contribute more to the national economy, are paid well and have access to special shops, recreational facilities, and other goods and services. As Yuri Andropov remarked a few months before his death,

We cannot forget that we live in a socialist society, the development of which ought to be regulated by the fundamental principles of socialism, including, of course, the principle of distribution according to work. [He added that] complete equality, in the sense of the equal enjoyment of material goods, will be possible only under communism.²⁴

It is not fidelity to Marxist-Leninist ideology that motivates the regime to adopt this approach. As a Soviet scholar, V.S. Kulikov, has pointed out, the authorities are far more interested in developing a system of incentives and rewards that will maximize output and productivity.²⁵

Pay scales are one aspect of this approach. Equally important, the best workers are more likely to be promoted, and they are given priority in the allocation of many important "perks." In the words of the Soviet Labor Code, those persons who have "successfully and conscientiously performed their duties" are to be given special treatment with respect to a wide range of "social, cultural, housing and personal services"—like trips to sanitariums, access to rest homes and improvements in housing conditions.²⁶

Individuals who violate labor discipline may find themselves deprived of precisely those rewards that their more conscientious fellow workers receive. "Rolling stones," "slackers" and "parasites" are deprived of bonuses and passes to rest homes, are likely to be passed over for promotions or new apartments, and are subjected to other penalties as well. In general, financial sanctions are seen as less effective than the denial of certain nonmonetary privileges.

Largely because of the labor shortage, factory managers are reluctant to employ such measures. They are apparently anxious to avoid alienating the most indifferent worker—who, if he chose, could easily find a job at another factory and thus deprive the manager of needed manpower.

The result of official lenience is continued economic loss, a combination of resignation and frustration among enterprise managers, and massive worker indifference. The industrial labor force suffers from extremely high

levels of "shirking," "idling," on-the-job drunkenness, accidents and turnover. Every year, more than 20 percent of the work force quits one job and takes another, a pattern that has prevailed for more than a decade.²⁷ On Mondays and the day after holidays or paydays, absenteeism increases dramatically, while productivity falls sharply. More generally, it appears that most forms of "labor indiscipline" are a consequence of alcohol abuse. Sample surveys taken in various urban centers around the country have found that upward of 90 percent of all instances of absenteeism, lateness, leaving work without permission and similar infractions can be traced to drunkenness or to hangovers.²⁸ In fact, on any given day, approximately one percent of all male workers employed at industrial enterprises or at construction sites in the Soviet Union do not appear for work because they are drunk or are still feeling the aftereffects of the previous evening's overindulgence.²⁹

(4) *Stimulating industrial democracy.* Ever since the elimination of the "Workers' Opposition" movement in the 1920's, workers in the Soviet Union have had virtually no influence over their own wages or working conditions. Not surprisingly, this circumstance gives rise to feelings of powerlessness, which in turn present a major barrier to increased job satisfaction and higher labor productivity. Soviet scholars have pointed out that a more democratic "microclimate" would be a powerful stimulus to industrial morale.

It is difficult to imagine the regime adopting such a radical policy, even in the face of widespread apathy, sloppiness, low productivity and a cavalier attitude among the urban work force. Perhaps the heart of the problem is the party leadership's determination to retain its "leading role" in Soviet society. (A century ago, Marx and Engels pointed out that no ruling class gives up state power voluntarily.) But much more is involved here. In particular, there is intense hostility at the factory level to the introduction of workers' participation in management. According to a study made by Ia. S. Kapeliush, while most ordinary workers are enthusiastic about the idea, supervisory personnel—ranging from shop foremen to factory directors—are highly resistant to any plan that might limit their power.³⁰ As a result, proposals for drawing workers into the decision-making process have stimulated more discussion than action.

CONCLUSION

There is little reason to be sanguine about the party's ability to deal with the complex of labor problems it confronts. The era of double-digit increases in economic growth has long since passed, and it is difficult to find new ways to keep growth rates from declining further. Andropov's emphasis on discipline, even if it is maintained by his successors, cannot further raise productivity or overall industrial growth rates, even if it could bring about real improvements in economic performance. The supply of manpower will continue to increase under the influence of

²⁴ *Pravda* and *Izvestia*, June 16, 1983. Emphasis in the original.

²⁵ V. S. Kulikov, *Rol' finansov v povysheni blagosostoiania sovetskogo naroda* (Moscow, 1972), p. 58.

²⁶ Cited in Murray Feshbach and Stephen Rapawy, "Labor Constraints in the Five-Year Plan," *Soviet Economic Prospects for the Seventies*, Joint Economic Committee, United States Congress (Washington, D. C., 1973), p. 543.

²⁷ See the table in Feshbach and Rapawy, *op. cit.*, p. 539.

²⁸ *Sovetskoe gosudarstvo i pravo*, no. 2 (1973), p. 42; *Komsomol'skaia pravda*, May 17, 1978.

²⁹ *Literaturnaia gazeta*, July 4, 1979.

³⁰ See the article by Kapeliush in Murray Yanowitch, ed., *Soviet Work Attitudes: The Issue of Participation in Management* (White Plains, N.Y.: M. E. Sharpe, 1979).

the recent educational reform, but there are serious questions about whether most Soviet youngsters want to take blue-collar jobs or to work at them productively. Similarly, the effort to keep more men and women of pension age in the work force may well be offset by deteriorating levels of public health throughout the country and by a continuing decline in life expectancy, especially among males. Thus, unless a new generation of Soviet leaders decides to introduce major changes in the economic system—radically shifting priorities in the direction of consumers, for example, or fundamentally altering the planning mechanism—it is likely that there will be more “muddling through,” punctuated by occasional crises, debates and minor tinkering. ■

THE SOVIET UNION AND NICARAGUA

(Continued from page 317)

United States administration documents acknowledge that weapons flow has become “sporadic.”¹⁷

Following patterns established elsewhere in the third world, Moscow has cautiously but steadily consolidated “socialist gains” in Nicaragua. Paradoxically, the Soviet “penetration” of Nicaragua has been promoted more eagerly by the FSLN than by the Kremlin. Sandinista leaders shuttle regularly to Moscow, though no Soviet leader has visited Managua. In Moscow in May, 1982, Daniel Ortega offered “full support” for Soviet positions on the arms race, détente, the Soviet “unilateral” moratorium on the deployment of nuclear weapons in the European part of the U.S.S.R., and the aggressiveness of the United States.¹⁸ Brezhnev’s cautious rejoinder emphasized the “vast oceanic expanses separating Nicaragua from the Soviet Union.”¹⁹ Ortega returned to Moscow on the death of President Yuri Andropov, which the

¹⁷United States Department of State and Department of Defense, “Background Paper: Nicaragua’s Military Buildup and Support for Central American Subversion,” July 18, 1984, p. 18.

¹⁸United States Department of Commerce, Foreign Broadcast Information Service (hereafter cited as FBIS): *Soviet Union*, May 5, 1982, pp. K2–K4; May 10, 1982, pp. K3–K4.

¹⁹Tass, May 4, 1982, in Peter Clement, “The Soviets in Nicaragua: Cultivating a New Client” (Paper prepared for the American Association of Slavic Studies, October 21–25, 1983).

²⁰Nina Serafino, “Soviet Interests and Opportunities in Central America” (Paper presented at the 1984 Pacific Symposium on the U.S.S.R. as a Pacific Power, February 9, 1984), pp. 14–15; Rothenberg, “The Soviets and Central America,” *op. cit.*, p. 135; FBIS: *Latin America*, May 11, 1982, p. P18.

²¹Serafino, *op. cit.*, pp. 13, 15; Rothenberg, “The Soviets and Central America,” *op. cit.*, p. 135; Jiri and Virginia Valenta, “Soviet Strategy and Policies in the Caribbean Basin,” in Howard J. Wiarda, ed., *Rift and Revolution: The Central American Imbroglio* (Washington, D.C.: American Enterprise Institute, 1984), p. 217.

²²FBIS: *Latin America*, April 4, 1984, p. B3; FBIS: *Latin America*, February 15, 1984, p. Q5.

²³United States Department of Defense, *Soviet Military Power 1984*, 3d ed. (Washington, D.C.: U.S. Government Printing Office, April, 1984), p. 122.

Sandinistas pronounced a “loss . . . to mankind,” declaring a three-day national mourning period.

Despite the Sandinista efforts, the Kremlin has been exceedingly chary. Soviet economic aid oscillated between \$75 million and \$150 million between 1981 and 1984.²⁰ Soviet bloc aid totaled between \$200 million and \$250 million in 1983.²¹ Most observers regard this level as strikingly low in light of the continuing deterioration of the Nicaraguan economy. Furthermore, in the face of desperate Sandinista requests for foreign exchange, Moscow has been unforthcoming. The Kremlin has preferred to grant emergency assistance when propaganda dividends were conspicuous; witness its shipments of wheat in 1981 and oil in 1984. However, Soviet leaders did not come to the rescue after the United States reduction in the Nicaraguan sugar quota in the spring of 1983. Most Soviet bloc assistance has been in the form of long-term development aid in the medical, hydroelectric and agricultural areas.

The Soviet bloc takes a little more than ten percent of total Nicaraguan imports and exports, trailing the United States, the European Economic Community countries, Central America and the rest of Latin America. Although the Soviet bloc purchases moderate amounts of traditional Nicaraguan exports, it has not become Nicaragua’s primary client as it is in Argentina and Cuba. While in September, 1983, Nicaragua was admitted as an observer to the CMEA, diplomatic sources report that Nicaraguan petitions for full membership have been rejected. Plans are afoot for a joint CMEA–Nicaraguan working commission for cooperation in economic planning, cadre training, agriculture, forestry, textiles and mining, but Tass excluded Nicaragua from a list of “developing states of socialist orientation” with whom cooperation through CMEA “is most intensively developing.”²² Moscow is reportedly constructing a ground station to provide Nicaragua with television links to Warsaw Pact countries. Nicaraguan bookstores and newsstands now feature Soviet bloc literature, and Soviet manuals predominate in Nicaraguan schools and universities. About a thousand Nicaraguan students study in the Soviet Union.

Soviet deliveries of military equipment to Nicaragua have increased substantially since 1981. The escalation of insurgency activity against Nicaragua makes it difficult to argue that such deliveries are to be used for offensive purposes. Yet the presence of 120 Soviet tanks, including 20 light amphibious (PT–76) tanks, along with 120 armored vehicles and 6 amphibious ferries providing a water crossing capability for the armored force, alarms Nicaragua’s neighbors—Honduras, Costa Rica and Panama. Nonetheless, the total volume of Soviet bloc military equipment remains low, about 17,500 metric tons from 1981 through early 1984.²³ In 1962, the Soviet Union delivered 250,000 metric tons of arms to Cuba; in 1963, 40,000; in 1964, 20,000.

Moscow has not publicly acknowledged weapons transfers to Nicaragua, though it has emphasized Sandi-

nista statements that Nicaragua has the right to seek arms from any source. It has also failed to acknowledge Nicaragua's public requests for fighter planes. Since 1981, there have been reports that Nicaragua is expanding air fields to receive sophisticated jet aircraft.²⁴ It has also been widely reported that 70 Nicaraguans have been trained in Bulgaria to pilot and repair MiG aircraft. Soviet planes earlier earmarked for Nicaragua remain in Cuba, partly because of United States warnings. Some Sandinista leaders may now regret their expectations of Soviet support, which helped turn Nicaragua into a pawn in the superpower contention. Yuri Andropov was apparently excessively frank when, in an April, 1983, interview with the German magazine *Der Spiegel*, he explicitly compared Nicaragua and Afghanistan:

We have a long common border and it does make a difference [to us] what kind of Afghanistan it will be. . . . Let us put it this way, for example: as if it would not make any difference to the United States what kind of government Nicaragua would have. . . .²⁵

Afghanistan, he went on to explain, was in "our corner of the world." In the Tass version the term "our corner of the world" was suppressed, presumably for its blatant contradiction of national liberation and independence.

Soviet authorities have frequently intimated to United States diplomats that the "Nicaraguan problem" can be resolved only in the context of United States-Soviet relations. Sandinista eagerness for close ties with Moscow has permitted the Soviet Union to pursue a virtually cost-free policy. Nicaragua could represent a bargaining chip in Moscow's preferred "political settlement" in Afghanistan. On the other hand, should the United States intervene directly in Nicaragua, attention would be distracted from Afghanistan, and Moscow could exploit the intervention for propaganda purposes and reap future gains. If, despite United States pressure, the Sandinistas survive, a pro-Soviet regime could gradually be consolidated.

Moscow appears to be pursuing a wait-and-see, long-term strategy in Nicaragua. It has made minimal economic investments and encourages the Sandinistas to diversify their trading partners and aid donors. Meanwhile, Moscow directs its efforts to the training of a new pro-Soviet technological, cultural and political elite. Soviet bloc presence in the intelligence, security, communications and military fields has deepened, but Moscow provides only enough military aid to make United States military intervention costly and save the Soviet "revolutionary" reputation, not enough to guarantee survival or risk confrontation. The tragedy for Nicaragua is that taken together Washington's intransigence, Moscow's cynicism and Managua's imprudence have converted that tiny country into the newest arena of superpower contention. ■

²⁴Seib and Mossbert, *op. cit.*, p. 15.

²⁵*Der Spiegel*, April, 1983, as cited in FBIS: *Soviet Union*, April 25, 1984, pp. A1-A10, April 27, 1984, pp. A3-A10.

SOVIET MILITARY POLICY

(Continued from page 334)

ing the promotion in 1983 of the chief of the rear services, Semen Kurkotkin, to the rank of marshal, and the appointments in 1979 of two new first deputy chiefs of the General Staff: Marshal Sergei Akhromeev (the first deputy chief to be promoted to the rank of marshal of the Soviet Union) and Army General Valentin Varennikov.

Overall, the main thrust of the defense reorganization points to greater emphasis on the peacetime integration of Soviet armed forces to permit a smoother shift to wartime operations. The architects of this new approach apparently seek coordinated and centralized control over strategic operations in each of the main theaters, plus greater flexibility and initiative at the lower command echelons. In part, this may reflect concern about maintaining survivable C³ during wartime.

Soviet authorities are well aware that the optimal balance between centralized control and flexible battlefield management is difficult to obtain even in the best of conditions, despite recent advances in C³ technologies and techniques. Training is an important factor, and thus Soviet assessments of their own shortcomings are especially revealing.¹¹ Training and assorted manpower problems are apparently so troublesome that a new post of Deputy Minister of Defense for Cadres was created in February, 1982, and Army General Ivan Shkadov, a training specialist, was promoted to fill this post. The process of adjusting to a new C² approach, however, is likely to take some time. And if the Soviet military's handling of the KAL incident in September, 1983, offers any clue to its progress, effective performance is still a long way off.

CONVENTIONAL AND PROTRACTED WARFARE

In theory, much of the ongoing organizational development of the Soviet armed forces is designed to provide a more coherent structure for the achievement of strategic objectives in specific theaters. Given the existence of nuclear deterrence and the emergence of sophisticated, new conventional weapons technologies, Soviet military leaders maintain that strategic goals, which earlier may have been the target of nuclear forces, may now be accomplished by conventional means (this excludes the intercontinental TVD). According to Soviet military commentators, the achievement of such strategic objectives depends almost entirely on the speed and destructiveness of the initial phase of military operations. With the outbreak of hostilities, the primary thrust of Soviet strategic offensive operations is expected to come from massed air strikes in the enemy's rear. In the European theaters, these deep strike missions would be directed in the first instance against NATO's intermediate and long-

¹¹See for example Ustinov's report to a conference of party organizations in *Krasnaia zvezda*, May 12, 1982, and the book review by General I. Shkadov in *Voennyi vestnik*, no. 6 (1982).

range nuclear forces and also C³ installations.¹² That such targets are time-urgent priorities is a reflection of the Soviet stake in denying NATO its capability to conduct wide-scale nuclear attacks against the Soviet homeland. Following the destruction of these primary targets, Soviet air forces would seek to maintain air superiority.

Soviet leaders intend to complement these air attacks with a wide variety of other strategic operations including air defense, airborne, amphibious and naval operations. For example, artillery and surface-to-surface missile strikes would be initiated to suppress the enemy's nuclear forces, tactical air bases, air defense capabilities, and C³ facilities. Deep operations would also be conducted by heavily armed, high-speed raiding forces called operational maneuver groups, as well as by helicopter, air assault and special purpose troops (SPETSNAZ) that are specifically designed for search and destroy missions.¹³ Meanwhile, Soviet and other Warsaw Pact air defense forces would operate against NATO's surviving offensive air capability.

Clearly, Soviet military planners appreciate that the modern, dispersed battlefield is best exploited by switching the focus of fighting to the enemy's rear. As a consequence, greater emphasis is placed on timing, mobility, support, and flexibility of firepower and maneuver. Of course, given the difficulty and demands of such operations, it is also recognized that Soviet forces must be prepared for a wide range of contingencies, including a protracted war.

The ability of the Soviet armed forces to execute such operations against NATO depends upon a number of critical factors, ranging from the performance capabilities of Soviet weapon systems and the skills of their operators to the survivability of NATO forces. In the last decade, the Soviet Union has committed vast resources to the acquisition of the operational capabilities required for a full complement of conventional (and nuclear) missions. Impressive developments in the Soviet Air Force, the Su-24 Fencer and the MiG-27 Flogger, and in Soviet Ground Forces, the 152mm self-propelled gun and the BM-27 220mm multiple rocket launcher, are indicative of the Soviet Union's ability to deploy sophisticated, high-performance weapon systems.

CRITICAL DEFICIENCIES

At the same time, however, there are critical deficiencies in operational abilities, like the apparent inability of Soviet SAM's to cope with the threat posed by air-launched cruise missiles, not to mention manpower, C², and other areas; these impose severe constraints on overall force effectiveness. Thus, whether the Soviet Union

¹²For a comprehensive treatment of this issue see Stephen M. Meyer, *Soviet Theatre Nuclear Forces, Parts I and II*, Adelphi Paper, nos. 187 and 188 (London: IISS, 1983-1984).

¹³Ogarkov, "Strategia voennaia," *SVE*, p. 564. See also the article by C. N. Donnelly, "The Soviet Operational Manoeuvre Group: A New Challenge for NATO," *International Defense Review*, vol. 15 no. 9 (September, 1982), pp. 1177-1186.

could actually prevail in a NATO-Warsaw Pact conventional conflict in the immediate future remains an open question.

Soviet military leaders readily acknowledge the complex nature of their preferred strategy and the vast demands it imposes on the Soviet system. In his recent writings, Marshal Ogarkov highlights three special challenges facing the Soviet Union. First, he emphasizes the "critical" need in the event of a surprise attack for measures that will allow the prompt shift of the armed forces and the entire economy to a wartime footing. Ogarkov contends that additional steps must be taken in peacetime to coordinate military and economic planning (especially in the areas of transportation, communications, energy and manpower). He also presses for improved cooperation between Soviet defense industries and for stockpiles of machine tools and raw materials.

Second, Ogarkov stresses the crucial challenge of keeping abreast of scientific and technological advances. He emphasizes the importance of rapid developments in the area of conventional weapons, which are resulting in substantial improvements in lethality (by at least an order of magnitude) and range, and therefore permit new forms of deep operations. At the same time, he argues that qualitative improvements by themselves are insufficient. In a veiled reference to the recent shift toward conventional operations, Ogarkov pointedly insists that unless new weapons are deployed in sufficient quantities, they are unlikely to allow corresponding changes in strategy.

Finally, Ogarkov observes that the deployment of sophisticated new weapons systems is placing higher demands on the training of Soviet soldiers. In addition, he sees the need for a substantial intensification of the indoctrination process, especially for Soviet youth, because the younger generation has not experienced war, and has diminishing opportunities to share the experiences of World War II veterans. Already this situation has led to the development of simplistic thinking about the question of war and peace and could well lead to a dangerous underestimation of the current threat. To counter this trend, Ogarkov declares, the truth about the danger of war must be explained to the Soviet people in a more reasoned form and without overdramatization.

A fourth basic challenge may be added to Ogarkov's list; the challenge of choosing tomorrow's commanders. The Soviet military is at a generational crossroads. The present group of top military authorities is composed of an old guard, many of whom are in their mid-to-late 70's. But despite the large turnover of cadres associated with the current restructuring of the defense establishment, most recent promotions to high positions have gone to officials in roughly the same age bracket as the present leadership. A new postwar generation of younger military officers, however, is waiting in the wings. These future military leaders will probably define Soviet military requirements according to the attitudes and biases they develop in the process of reaching the top. ■

THE MONTH IN REVIEW

A Current History chronology covering the most important events of August, 1984, to provide a day-by-day summary of world affairs.

INTERNATIONAL

Iran-Iraq War

Aug. 5—In Damascus, the Iranian Minister for Revolutionary Guards, Haj Mohsen Rafik Dost, says that Iran will not attack tankers in the Persian Gulf and will not widen the war.

Aug. 9—Iran's Foruzan oil loading platform is bombed by Iraqi planes; Iraq says it is part of its blockade of Iran's oil terminals.

Aug. 21—Iran's commander of ground forces, Colonel Ali Sayyad-Shirazi, says Iran is ready to begin a new offensive against Iraq.

Aug. 24—The U.S. Senate Foreign Relations Committee releases a study that shows Iraq holding a military advantage over Iran because of "massive arms sales" to Iraq from the Soviet Union and France.

Red Sea Mining

(See also *Iran; U.S., Foreign Policy*)

Aug. 5—Shipping sources in Cairo report that a tanker in the Red Sea has been damaged by a mine explosion; 15 ships have been damaged, probably by mines, in the last month.

Aug. 11—A Polish cargo ship hits a mine at the mouth of the Red Sea; there are no casualties.

Aug. 13—Egyptian President Hosni Mubarak says he does not think Iran is involved in the mining; he says he still strongly suspects Libya.

Aug. 14—A British and French minesweeping convoy enters the Suez Canal to begin an international minesweeping operation that will also include the U.S.

Aug. 17—The Iranian government says it will delay Egyptian ships in the Persian Gulf if Egypt continues to stop and search Iranian ships in the Suez Canal; Egypt began the searches on August 15.

Aug. 22—2 Soviet ships join with other Soviet minesweeping vessels off the coast of southern Yemen.

United Nations (UN)

(See also *U.S., Foreign Policy*)

Aug. 6—The UN International Conference on Population opens in Mexico City.

Aug. 8—The U.S. delegation issues a statement that says free-market economies are "the natural mechanism for slowing population growth"; the U.S. will not contribute money to a population program used for abortion or coercive family planning.

Aug. 14—The conference issues its final report, which includes a recommendation that abortion not be promoted as a family planning method.

Aug. 16—A United Nations Educational, Scientific and Cultural Organization (UNESCO) official says that the U.S. will receive its share of unspent UNESCO funds at the end of the year.

Aug. 17—The Security Council votes 13 to 0 with the U.S. and Great Britain abstaining to declare "as null and void" South Africa's constitutional changes.

Aug. 20—The United Nations Children's Fund releases a report showing that 7 million people are threatened with starvation in Ethiopia; there has been no rain or harvested

food in some parts of Ethiopia in over 10 years.

AFGHANISTAN

(See also *Pakistan*)

Aug. 7—Western diplomats in New Delhi report that Soviet warplanes have bombed villages in the Shomali Valley, killing 300 civilians.

Aug. 27—2 Afghan rebel leaders, Gulbuddin Hekmatyar and Burhanuddin Rabani, announce at a news conference in Peshawar, Pakistan, that they have unified their movements.

ALBANIA

(See *West Germany*)

ANGOLA

Aug. 17—National Union for the Total Independence of Angola rebels say that they killed 108 government troops and 8 Cubans in the last week of fighting.

ARGENTINA

(See also *U.K., Great Britain*)

Aug. 2—The Supreme Council of the Armed Forces, the top military court, indicts and orders jailed former President Jorge Rafael Videla on charges related to the death and disappearance of thousands of Argentines.

Aug. 6—An Argentine government official says that Argentina will repay a \$125-million Western bank loan by August 15.

Aug. 15—Jacobo Timerman announces that he is taking over as editor of the Buenos Aires daily *La Razón*.

BOLIVIA

Aug. 30—Interior Minister Federico Alvarez Plata resigns after he is censured by the Senate; but he withdraws his resignation at the request of President Hernán Siles Zuazo.

BOURKINA FASSO

(See also *Upper Volta*)

Aug. 4—The military government celebrates its 1st anniversary, promising to raise living standards and eliminate all traces of "petty bourgeois ideology."

CANADA

(See also *U.S., Military*)

Aug. 29—International Trade Minister Francis Fox warns the U.S. that Canada will retaliate with trade barriers if the U.S. does not exempt Canada from steel import quotas.

CHAD

Aug. 11—Facho Balaam, the secretary general of the National Democratic and Popular Union, a guerrilla group fighting the government, says that the government's defense minister has been captured.

CHILE

Aug. 7—In an interview with *The New York Times*, President Augusto Pinochet says that he will not return the country to democracy until 1989.

CHINA

(See also *U.K., Great Britain; Vietnam; U.S., Foreign Policy*)

Aug. 11—In Argentina, Foreign Minister Wu Xueqian says that China has agreed to improve trade, cultural and technological relations with Cuba.

COLOMBIA

Aug. 24—The government signs a cease-fire agreement with the guerrilla group M-19; 2 smaller rebel groups signed a truce yesterday.

CONGO

Aug. 12—After last night's meeting of the Politburo, the government is reorganized, increasing the power of President Denis Sassou-Nguesso.

CUBA

(See *China; U.S., Foreign Policy*)

DOMINICAN REPUBLIC

Aug. 30—President Salvador Jorge Blanco announces that gasoline prices will be increased by 20 cents a gallon, as requested by the International Monetary Fund (IMF).

EGYPT

(See *Intl, Red Sea; U.S., Foreign Policy*)

EL SALVADOR

(See also *U.S., Legislation*)

Aug. 8—In Washington, D.C., the U.S. government releases photographs and other evidence to back its allegations that Soviet-bloc nations supply the guerrillas in El Salvador with weapons, ammunition and equipment.

Aug. 25—President José Napoleón Duarte announces that he has convened a special commission to investigate politically motivated killings, including the killing of the Roman Catholic Archbishop in 1980.

ETHIOPIA

(See *Intl, UN*)

FRANCE

(See *Intl, Iran-Iraq War*)

Aug. 9—The Senate rejects a proposal offered by the government that would have allowed the calling of public referendums on matters affecting civil liberties.

Aug. 26—The government reports that a French cargo ship bound for the Soviet Union that sank off the coast of Belgium yesterday was carrying containers filled with uranium to be processed as fuel for nuclear reactors; the government says there is no danger of leakage.

Corsica

Aug. 24—In the final round of voting, Jean-Paul Rocca Serra is elected president of the regional assembly.

GERMANY, EAST

(See *West Germany; U.S.S.R.*)

GERMANY, WEST

(See also *U.S.S.R.*)

Aug. 6—The government issues a statement that defends West German efforts to improve economic and political ties with East Germany and other East European countries.

Aug. 7—The government announces that it is restricting the export of chemical manufacturing equipment that could be used to make chemical weapons; Iraqi attempts to produce

nerve gas have been linked to West German chemical equipment bought by Iraq.

Aug. 20—Bavarian Premier Franz Josef Strauss arrives in Albania; he confers with Albanian Deputy Prime Minister Manush Myftiu.

GREECE

Aug. 29—Evangelos Averoff, the leader of the opposition New Democracy party, resigns.

GRENADA

Aug. 15—A U.S. military spokesman on Grenada says that the U.S. will pay about \$1.6 million in compensation to Grenadians for damages they may have suffered during last year's invasion by the U.S.

HONDURAS

Aug. 20—Following his August 16 request that his entire Cabinet resign, President Roberto Suazo Córdova names 4 new Cabinet ministers and changes the heads of key economic posts.

INDIA

Aug. 2—Prime Minister Indira Gandhi reorganizes her Cabinet; 3 ministers exchange portfolios and 1 resigns.

Aug. 3—Authorities report that at least 23 people have died as a result of yesterday's bombing at Madras International Airport; no group has taken responsibility for the attack.

Aug. 14—3 protestors are killed by police during a violent demonstration in Orissa State against Prime Minister Gandhi; in Punjab State 4 people are killed in fighting between Sikhs, Hindus and police.

Aug. 16—N.T. Rama Rao, the chief minister of Andhra Pradesh, is dismissed from his office by the state's governor; Rao is the 2d government official belonging to the Opposition party removed from office in the last 2 months.

Aug. 19—Demonstrations in Andhra Pradesh leave 6 people dead; at least 25 people have been killed since Rao's dismissal.

Aug. 22—New Delhi police estimate that at least 100,000 people took part in a rally to protest Rao's dismissal today; it is the largest rally against Gandhi since her defeat in the 1977 parliamentary elections.

Aug. 23—Parliament approves a constitutional amendment to allow direct rule of Punjab State for another year.

Aug. 25—Strikes, demonstrations and rail blockades occur across the country as part of a national day of protest against Gandhi's dismissal of Rao; in the southern state of Tamil Nadu at least 10,000 people are arrested for picketing government offices.

In Dubai, United Arab Emirates, 7 Sikh hijackers surrender after they commandeered an Indian Airlines jetliner yesterday with 79 passengers aboard.

IRAN

(See also *Intl, Iran-Iraq War, Red Sea*)

Aug. 2—3 hijackers surrender to authorities in Teheran after they release their hostages and blow up the Air France jet they took over.

Aug. 8—2 Iranian teenagers surrender to police in Rome after they hijack an Iranian airliner with 300 passengers aboard.

Aug. 9—In a statement broadcast on state radio, Khomeini criticizes the state radio for commentary indicating that Iran supported the planting of mines in the Red Sea; Khomeini also denies that Iranians were involved in the hijacking of the Air France jetliner.

Aug. 15—The Parliament dismisses 5 ministers and names 3

new ministers to Prime Minister Mir Hussein Moussavi's Cabinet.

Aug. 23—Opponents of the government take responsibility for today's bombing in Teheran; 17 people were killed in the blast, and 300 were wounded.

Aug. 28—A young Iranian couple hijack an Iranian airliner to Iraq, where they ask for political asylum.

IRAQ

(See *Intl, Iran-Iraq War; West Germany*)

ISRAEL

(See also *Lebanon*)

Aug. 5—President Chaim Herzog asks Labor party leader Shimon Peres to form a new government; elections held 2 weeks ago left the Labor party and Prime Minister Yitzhak Shamir's Likud bloc without clear parliamentary majorities.

Aug. 13—The new Parliament is sworn in; right-wing extremist Rabbi Meir Kahane, who won a seat in Parliament, initially refuses to take the oath of allegiance.

Aug. 20—Former Foreign Minister Abba Eban is named temporary speaker of the Parliament until a new government is formed.

Aug. 31—Peres and Prime Minister Shamir announce that they have agreed in principle on a government of national unity; each man is to be Prime Minister for 25 months; Peres will be Prime Minister first.

LEBANON

Aug. 4—Prime Minister Rashid Karami attempts to work out a truce in Tripoli as fighting continues between rival Muslim groups.

Aug. 8—As part of a new peace program, the Cabinet agrees to allow troops into the Shouf Mountains.

Aug. 20—Israeli troops seal the only road linking southern Lebanon with the rest of the country; the closure is part of the Israeli security measures for Israel's occupation forces in the south.

Aug. 22—The government announces that it is filing a complaint with the UN over Israeli actions in the occupied south. Fighting continues in Tripoli; at least 105 people have been killed since yesterday.

Aug. 23—Chief of Staff of the Lebanese army General Nadim el-Hakim is killed when his helicopter crashes.

Aug. 29—Pierre Gemayel, the head of the Christian Phalangist party, dies of a heart attack.

LIBERIA

Aug. 28—The head of a new opposition party is arrested by military authorities for plotting to overthrow the military government of General Samuel K. Doe.

LIBYA

(See also *Intl, Red Sea; Morocco; Syria*)

Aug. 31—The Libyan General People's Congress approves a proposed treaty of unity with Morocco (the Arab-African Federation treaty). Moroccans are voting on the treaty in a national referendum.

MEXICO

Aug. 3—In Mexico City, the governments of Mexico and Venezuela announce that they will halt the delivery of oil to any Central American or Caribbean country that initiates "warlike actions" against other countries in the region.

MONGOLIA

Aug. 23—The Soviet press agency Tass reports that Mongo-

lian Communist party leader Yumzhagiin Tsedenbal has been replaced for health reasons by Prime Minister Dzhambiin Batmunkh.

MOROCCO

Aug. 14—The Moroccan government announces that it plans to form a union with Libya; no further details are provided.

MOZAMBIQUE

(See *South Africa*)

NAMIBIA

Aug. 15—A lawyer for the *Windhoek Observer* says that the paper has been shut down by South African authorities for allegedly supporting the South-West Africa People's Organization.

NICARAGUA

Aug. 15—A coalition of opposition leaders say they have given up their demand that the government negotiate with U.S.-backed guerrillas as a condition for their participation in the November election.

Aug. 16—Military officials announce that Nicaragua is building a large military airport; the head of the air force, Commander Raúl Venerio, says he is "awaiting new combat planes from various countries."

Aug. 22—Government election officials announce that 3 anti-Sandinista political parties are being stripped of their legal status because they refuse to register candidates for the elections.

NIGERIA

Aug. 17—The military government announces that former Finance Minister Victor Masi will be tried in closed session on corruption charges.

PAKISTAN

Aug. 22—The Foreign Ministry reports that at least 104 Pakistanis have been killed in air raids and artillery shelling by Afghan troops; there have been 5 attacks in August alone.

PERU

Aug. 5—President Fernando Belaúnde Terry says he is not optimistic about the army's ability to end the guerrilla war.

Aug. 17—U.S. officials in Lima say that a U.S.-sponsored cocaine eradication program has been suspended.

Aug. 20—The Roman Catholic Church in Peru offers to mediate between the government and the leftist Shining Path guerrillas; about 3,500 people have been killed in the last 4 years of war.

Aug. 24—The government puts Lima under military control in order to prevent a human rights group from marching to protest alleged government killing of innocent people.

PHILIPPINES

Aug. 18—The Supreme Court rules that the government cannot ban a demonstration to mark the 1st anniversary of the assassination of opposition leader Benigno S. Aquino Jr.

Aug. 21—About 450,000 people gather in Manila to mark the anniversary of Aquino's assassination.

POLAND

(See also *U.S., Foreign Policy*)

Aug. 3—Jerzy Urban, a government spokesman, says that the Polish government demands "the lifting of all restrictions without any conditions" by the U.S.; U.S. President Reagan announced yesterday the lifting of some sanctions that were imposed on Poland in 1981.

Aug. 14—Lech Walesa, the head of the banned trade union Solidarity, says that it would be unwise to stage demonstrations now, terming the government's July amnesty "a step in the right direction."

Aug. 18—Karol Modzelewski, the former press spokesman for Solidarity, says the government's amnesty has not extended to all political prisoners; 2 underground Solidarity prisoners and 7 other prisoners have not been released.

Aug. 29—Walesa accuses the government of "betraying the trust of the Polish people" and failing to abide by the accords it signed with Solidarity in 1980.

SAUDI ARABIA

(See *U.S., Foreign Policy*)

SOUTH AFRICA

(See also *Intl, UN; Namibia*)

Aug. 13—Prime Minister P.W. Botha meets with Mozambican Deputy Interior Minister Teodato Hunguana in Pretoria; Botha agrees to stop any South African support for anti-Mozambican guerrillas.

Aug. 19—About 3,500 people demonstrate against next week's elections that will exclude blacks.

Aug. 21—Authorities arrest 17 Colored and Indian opponents of the government.

Aug. 23—With only 21 percent of the Coloreds participating, the Labor party, led by the Reverend Allan Hendrickse, wins 75 of the 80 seats allocated to Coloreds in elections held yesterday for a new, tripartite Parliament.

Aug. 29—In elections held yesterday, the National People's party wins 18 of the 40 seats in the Indian chamber of the new Parliament. Only 20 percent of eligible Indian voters participated in the election.

SPAIN

Aug. 24—The government announces that it will hold truce talks with the Basque guerrillas if the guerrillas agree.

SRI LANKA

Aug. 9—Government officials say that at least 70 Tamil separatists were killed in the last 2 days in fighting with government troops.

Aug. 12—19 people are killed when a bomb explodes at a police station outside Jaffna; the government blames Tamil separatists for the bombing.

Aug. 13—The government confirms that troops set fire to the Tamil town of Mannar yesterday in retaliation for the bombing attack on the police station; 3,000 people are left homeless by the fire.

SYRIA

Aug. 27—President Hafez Assad leaves Tripoli, Libya, after holding talks with Libyan leader Muammar Qaddafi.

UGANDA

(See also *U.S., Foreign Policy*)

Aug. 16—Emmanuel Cardinal Nsubuga, Ugandan Roman Catholic prelate, says in Boston that 80,000 Ugandans are being held without charge by the government.

Aug. 19—Responding to U.S. reports that as many as 100,000 Ugandans may have been killed or died of starvation because of the military since 1981, Information Minister David Anyoti says that 15,000 Ugandans have died since 1981 because of tribal and ethnic violence.

Aug. 26—President Milton Obote defends his government.

U.S.S.R.

(See also *Intl, Iran-Iraq War, Red Sea; Afghanistan; U.S., Foreign Policy; Vatican*)

Aug. 1—*Pravda*, the Communist party newspaper, carries an editorial that strongly criticizes West German policies toward East Germany; it says a West German financial credit to East Berlin constitutes interference in East Germany's internal affairs.

Aug. 3—A U.S. embassy spokesman says that a U.S. Marine guard at the U.S. consulate in Leningrad was beaten and jailed for 2 hours by Soviet plainclothes police yesterday.

Aug. 8—The government newspaper *Izvestia* reports that the U.S. Marine guard was rowdy and that the U.S. is trying to "scare Americans away from the U.S.S.R."

Aug. 9—Nikolai Poluyanchik, head of Aeroflot's international air traffic division, says that the Soviet Union's supersonic jetliner is being grounded because of inefficiency.

Aug. 20—Moscow radio says that Nobel laureate and dissident Andrei Sakharov is well and receiving medical care in Gorky; Sakharov was exiled to Gorky in 1980.

Aug. 23—The U.S. State Department reports that it has unconfirmed reports that Yelena Bonner, the wife of Sakharov, has been sentenced to 5 years of internal exile.

Aug. 25—The Defense Ministry announces that the Soviet Union is successfully testing a new, long-range cruise missile.

Aug. 27—The government releases an English-language booklet, *Whence the Threat to Peace*, that says the East and the West's military forces are in rough balance.

The New York Times reports that the U.S. Agriculture Department has revised its estimate downward for the 1984 Soviet harvest from 190 million metric tons to 180 million metric tons; the USDA also says that the Soviet Union will have to import 43 million tons of grain this year.

UNITED KINGDOM

Great Britain

(See also *Intl, Red Sea*)

Aug. 1—Foreign Secretary Geoffrey Howe announces that Britain and China will sign a draft agreement on the terms under which Hong Kong will be returned to China in 1997; the agreement will "provide for the preservation of all the rights and freedoms [of] the people of Hong Kong."

Aug. 21—80 people are arrested and 18 are injured when coal strikers clash with police.

Aug. 23—Opposition leaders call for inquiry into the government's actions during the early stages of the Falklands War after a left-wing magazine, *The New Statesman*, reports that it has Cabinet, Defense and Foreign Ministry documents that show that the government ordered a nuclear missile submarine off the coast of Argentina and contemplated a nuclear strike against Argentina.

Aug. 24—2 retired Royal Navy admirals who were in charge of the navy at the time of the Falklands War deny Opposition charges that the government considered using nuclear weapons in the Falklands War.

Aug. 25—Dockworkers strike at 19 ports; it is the 2d day of a national port strike to support striking coal miners.

Northern Ireland

Aug. 12—Police kill 1 man and wound 12 others when they fire on a crowd that had gathered to hear a banned speaker.

Aug. 13—Thousands of people march through Belfast to protest yesterday's killing.

UNITED STATES

Administration

Aug. 1—President Ronald Reagan names 6 U.S. Appellate

Court judges to posts created by Congress in July.

Because of widespread criticism, Anne Burford, former director of the Environmental Protection Agency (EPA), asks President Reagan to withdraw her appointment as chairman of the National Advisory Committee on Oceans and Atmosphere; the President abides "by her wishes."

Aug. 2—Voting 3 to 1, the Nuclear Regulatory Commission permits California's Diablo Canyon nuclear plant to begin operations.

Aug. 8—The Justice Department and the Federal Bureau of Investigation agree to undertake an investigation into charges that Senator Mark Hatfield (R., Ore.) supported Greek entrepreneur Basil Tsakos in his efforts to build an oil pipeline across Africa; according to Hatfield, Tsakos paid Hatfield's wife Antoinette \$40,000 for her services as his real estate agent.

Aug. 9—The Federal Communications Commission delays until at least April 1, 1985, its July 26 ruling that would have allowed an individual or a company to own 12 television stations; the current limit is 7.

Aug. 12—President Reagan says that although he has no plans to raise taxes, he would do so as a "last resort."

Aug. 14—The Justice Department announces that the accused Nazi war criminal, Bishop Valerian Trifa (head of the Romanian Orthodox Church in America), left the U.S. for Portugal yesterday under a deportation order.

Aug. 17—The U.S. Court of Appeals for the District of Columbia votes 2 to 1 to delay full operation of the Diablo Canyon nuclear plant until at least November, 1984.

Aug. 27—Speaking to educators in Washington, D.C., President Reagan challenges educators to increase educational achievement and student discipline without more federal aid. He says that the first "citizen passenger" for the space shuttle will be an elementary or secondary schoolteacher.

The Justice Department reports that as of June 30, 1984, the prison population of the U.S. reached a record 454,136.

Aug. 30—The EPA announces a new program designed to coordinate federal and state regulations designed to keep the nation's underground water supply free from manmade toxic substances.

Aug. 31—The Civil Aeronautics Board (CAB) exempts the nation's airlines from anti-trust laws so that they can jointly agree on actions to solve air traffic congestion.

Civil Rights

Aug. 16—The United States Jaycees vote overwhelmingly to admit women as full members; the move follows a July Supreme Court decision that the previously all male organization had to admit women.

Economy

Aug. 2—The Census Bureau reports that the number of Americans living below the poverty line grew from 34.4 million in 1982 to 35.3 million in 1983 and that the percentage of poor Americans rose to 15.2 percent in 1983, the highest level since 1965.

Aug. 3—The Labor Department reports that the nation's unemployment rate rose to 7.4 percent in July.

A record 236.6 million shares are traded on the New York Stock Exchange.

Aug. 10—The Labor Department reports that its producer price index rose 0.3 percent in July.

Aug. 15—In its midyear budget review, the Reagan administration projects a deficit for fiscal 1985 of \$172.4 billion, declining to \$161.7 billion in fiscal 1989.

Aug. 20—The Commerce Department reports that according to a revised estimate, the nation's gross national product (GNP) rose at a 7.6 percent annual rate for the 2d quarter of

1984, not at the 7.5 percent previously reported.

Aug. 22—The Labor Department reports that its consumer price index rose 0.3 percent in July.

Aug. 29—The Commerce Department reports that its index of leading economic indicators declined 0.8 percent in July.

The Commerce Department reports that the nation's foreign trade deficit rose to a record \$14.1 billion in July.

Foreign Policy

(See also *Intl*, *Red Sea*, *UN*; *Canada*; *Peru*; *Poland*; *Uganda*; *U.S.S.R.*)

Aug. 1—Presidential National Security Adviser Robert McFarlane tells reporters that "it appears that the Soviets were not serious about their proposal" for talks on space weapons and were misrepresenting the U.S. position about such talks.

Aug. 2—The White House announces that the U.S. will ease some economic and scientific sanctions against Poland and will not oppose Poland's membership in the International Monetary Fund (IMF); this is in response to Poland's recent amnesty for political prisoners.

The Defense Department reports that at the request of Egypt a 15-member U.S. technical team has arrived in Cairo to help find the mines that have caused damage to several ships in the Red Sea.

Aug. 3—White House spokesman Larry Speakes announces that President Reagan has lifted some of the U.S. sanctions against Poland.

The State Department reports that Saudi Arabia has released nearly half the 33 Americans being held in its prisons for a variety of offenses.

Aug. 4—State Department spokesman Alan Romberg reports that the U.S. and Cuba have concluded 3 days of talks on immigration issues.

Aug. 6—In response to an Egyptian request, the Defense Department reports that U.S. minesweeping helicopters and crews will be sent to Egypt to help clear the mines threatening shipping from the Red Sea.

Aug. 8—In news conferences today, the United States National Commission on UNESCO, which was appointed by the State Department, charges that the Reagan administration used "misleading tactics . . . and distorted information" to explain its decision to withdraw from UNESCO unless that organization institutes changes demanded by the U.S.

Aug. 9—The State Department tells Congress that abuses of human rights in Uganda have become "among the most grave in the world . . ." The Department says that between 100,000 and 200,000 Ugandans have been killed or have starved to death recently.

Aug. 13—The State Department reports that at the request of Saudi Arabia 3 minesweeping helicopters and crews left today for Saudi Arabia to search for mines in the Gulf of Suez and the Red Sea.

Aug. 17—In Washington, D.C. President Reagan says that the U.S. "rejects any interpretation of the Yalta Agreement that suggests American consent for the division of Europe into spheres of influence." The Yalta Agreement, negotiated by the U.S., Britain and the Soviet Union, was signed in 1945.

Aug. 27—The Interior Department reports that the U.S. and China have signed an agreement under the terms of which the Department will aid in the design of the world's largest hydroelectric dam, the Three Gorges project on the Yangtze River.

Legislation

(See also *Administration*)

Aug. 1—Commander of the U.S. military forces in Latin America General Paul Gorman tells the House Appropriations Subcommittee that he can "foresee no circumstances

when it would be useful" for American troops to have a combat role in El Salvador. "United States forces cannot protect the government of El Salvador."

Aug. 2—The House votes 294 to 118 to approve a more than \$9-billion intelligence authorization bill, which includes no money for Nicaraguan rebels and bars use of other federal funds for them.

Aug. 6—The Congressional Budget Office projects a \$172-billion budget deficit for fiscal 1984 rising to \$263 billion in 1989; these are somewhat lower figures than it projected in January, 1984.

Aug. 8—The House votes 413 to 0 to approve a bill to facilitate the collection of court-ordered child support payments throughout the country, including mandatory withholding of wages; the Senate has passed the bill, 99 to 0.

Aug. 9—In a voice vote, the House gives final congressional approval to legislation making it easier for women to qualify for pension benefits.

Aug. 10—In a unanimous voice vote, the Senate completes congressional action on a bill increasing the amount the Corporation for Public Broadcasting will be able to spend in the next 10 years.

The House passes an amendment to the \$6.2-billion supplemental appropriations bill for 1984, which will prevent the U.S. Postal Service from using any appropriated funds to establish the 2-tier wage system it proposed to take effect after July 21. The Senate approves the amendment.

The House and Senate both pass the \$6.2-billion supplemental appropriations bill for 1984. The bill, which includes an extra \$70 million in military aid for El Salvador, goes to the President.

Congress adjourns for the Republican National Convention and the Labor Day holiday.

Aug. 11—President Reagan signs a measure that prohibits public high schools from preventing student meetings for religious or political purposes outside classroom hours.

Aug. 16—President Reagan signs the bill to enforce the payment of child-support obligations.

Aug. 23—President Reagan signs legislation making it easier for women to earn pension benefits.

Aug. 29—President Reagan vetoes the increased spending authorization for the Public Broadcasting System that Congress had passed for 1987-1989 because the spending will "be increased much too fast."

In a 2-1 decision, the U.S. Court of Appeals rules that President Reagan did not have constitutional authority to "pocket veto" a bill on November 30, 1983, requiring certification of improving human rights in El Salvador as a condition for sending military aid there. 33 House Democrats brought suit contending that Congress appointed an agent to receive bills vetoed by the President while Congress was not in session.

Aug. 31—President Reagan signs a \$11.57-billion appropriation bill for the Justice, Commerce and State Departments that also provides \$305 million for the Legal Services Corporation for fiscal 1985.

Military

Aug. 23—Assistant Secretary of Defense for Manpower Lawrence Kork says that with the materials at hand U.S. forces are able to fight a conventional war of the intensity of World War II for at least 30 days; 4 years ago, it was reported that U.S. forces could only fight for 15 days.

Defense Secretary Caspar Weinberger issues new regulations for press coverage in combat areas and puts the regulations into effect.

Aug. 27—The Defense Department reports that the U.S. and Canada will join in war games beginning September 15.

Politics

Aug. 2—Bert Lance resigns as general chairman of Walter Mondale's Democratic presidential campaign.

Aug. 11—Testing a microphone before his regular Saturday broadcast, President Reagan says, "My fellow Americans. I am pleased to tell you today that I've signed legislation that will outlaw Russia forever. We begin bombing in five minutes." The White House explains that the President did not know the microphone was live.

Aug. 20—The Republican National Convention opens in Dallas.

Democratic Vice Presidential nominee Representative Geraldine Ferraro (D., N.Y.) releases her financial records and those of her husband, John Zaccaro (including his tax returns), in an attempt to quiet further questions about their finances.

Aug. 22—In a roll-call vote, the Republican National Convention nominates President Reagan for another term as President and George Bush for another term as Vice President.

Aug. 23—President Reagan and Vice President Bush accept the nominations of their party.

Aug. 28—At the conclusion of a conference with Democratic presidential candidate Walter Mondale, Jesse Jackson, who was a Democratic contender for the Democratic presidential nomination, announces that he will campaign actively for Mondale in the upcoming election campaign.

Science and Space

(See also *Administration*)

Aug. 30—The space shuttle *Discovery* begins its 1st flight into space after 3 delays.

UPPER VOLTA

(See also *Bourkina Fasso*)

Aug. 3—The government announces that it is changing the name of the country to Bourkina Fasso.

URUGUAY

Aug. 3—3 political groups and the military government sign an agreement calling for elections on November 25.

Aug. 17—Wilson Ferreira Aldunate renounces his presidential candidacy; Aldunate was arrested last month after he tried to return from 11 years of exile.

Aug. 28—The 2 major political parties file presidential slates for the November 25 elections.

VATICAN

Aug. 25—The Vatican reports that the Pope has been refused permission by Soviet authorities to visit the Soviet republic of Lithuania.

VENEZUELA

(See *Mexico*)

VIETNAM

Aug. 19—The Vietnam News Agency says that China has staged air, land and sea incursions in the last week in an effort to destabilize Vietnam's border provinces.

ZIMBABWE

Aug. 8—Prime Minister Robert Mugabe opens the 1st congress of the Zimbabwe African National Union-Patriotic Front (ZANU-PF) in 20 years.

Aug. 11—ZANU-PF votes to adopt a new constitution that calls for the creation of a Marxist-oriented, 1-party state.

Aug. 12—Mugabe announces a new Central Committee and the formation of a 15-member Politburo. ■



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